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No. 103

## House of Representatives

The House met at 10 a.m.

Chaplain James T. Akers, Kansas American Legion, Madison, Kansas, offered the following prayer:

Holy God, Giver of Peace and Author of Truth, we acknowledge Your rule over our lives and the life of this Nation. We know You have plans for us and the power to make them happen. Give our representatives a vision of Your will for America today. Help us to always remember that we serve a great people and hold a sacred trust on their behalf. May we see that no Nation lives for itself alone, but is responsible to You for the well-being of Your creation. Now, let Your blessing rest upon this House, its leadership, its dedicated Members and staff, and of course this very great country. All this we pray in Your most gracious name. Amen.

### THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

### PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from California (Mr. GEORGE MILLER) come forward and lead the House in the Pledge of Allegiance.

Mr. GEORGE MILLER of California led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed a concurrent resolution of the following title in which the concurrence of the House is requested:

S. Con. Res. 134. Concurrent resolution designating September 8, 2000, as Galveston Hurricane National Remembrance Day.

### ADMINISTRATION ATTACKS THE BOY SCOUTS

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, it never ceases to amaze me just how out of touch the Clinton-Gore administration is with the problems, the real problems, facing this Nation.

For example, more than 5 million acres of beautiful forest lands have burned to a black ash due to years of mismanagement and neglect by this administration, and yet the Clinton-Gore administration has decided to focus its time, its energy, and the taxpayer dollars of every hardworking American on whether or not the Boy Scouts should be allowed to camp on public grounds.

That is right, Mr. Speaker. This administration has launched its latest politically motivated attack against one of our Nation's most respected institutions, the Boy Scouts of America. Everyone knows that the Boy Scouts have done more for this country than the Clinton-Gore administration and the Boy Scouts are out educating young adults in character, responsibility and citizenship, three qualities that have not often been used to describe this administration.

Mr. Speaker, it is time that the Clinton-Gore administration stop attacking every group that is making our Nation great and instead start focusing on the problems of this Nation.

### AIDS SPENDING IN D.C. APPROPRIATIONS

(Mr. CUMMINGS asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. CUMMINGS. Mr. Speaker, as we consider the D.C. appropriations bill, let us not forget our ongoing battle with one of the deadliest diseases affecting more than 40 million persons worldwide: AIDS.

In our Nation alone the number of new cases each year remains at 40,000, making this a leading cause of death. We have an obligation to act. We have seen substantial increases in Federal funding for research, education and treatment. The Congressional Black Caucus, working with the White House, secured \$251 million in funds for programs in minority communities. Government-wide AIDS spending is estimated at \$10 billion in fiscal year 2000.

Progress has been made, but we must do more. Current research has determined that needle exchange programs, which I support, help curtail infection rates by more than 10 percent. This deadly infectious disease cannot be allowed to spread unchecked. Vote against amendments to the D.C. bill that threaten this principle.

### EYE DEGENERATIVE DISEASES

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, Isaac, Daria, and Ilana Lidsky, young constituents from my congressional district, are three of the approximately 6 million people who have retinal degenerative diseases. Along with their parents, Betti and Carlos, the Lidsky family works tirelessly to raise research funds for eye degenerative diseases. This Saturday, the Lidskys will hold their annual dinner which has helped make possible unprecedented medical advances.

In a groundbreaking study, supported by the Foundation Fighting Blindness,

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scientists amazingly restored vision in a mouse using oral doses of a chemical compound derived from vitamin A. This miracle offers evidence that researchers will soon be able to develop similar cures for patients with retinitis pigmentosa, macular degeneration, and other retinal degenerative diseases which may lead to blindness.

Now more than ever, in an effort to make these treatments available, we need to support funding for the National Eye Institute so that our Nation's researchers will have the resources needed to make sight-debilitating diseases extinct.

Mr. Speaker, this Sunday, CBS's "60 Minutes" will highlight the Lidskys' uplifting story, and I urge my colleagues to tune in and learn what each of us can do in order to help realize a cure soon.

#### RUSSIAN-BUILT MISSILES POINTED AT U.S.

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Russian President Putin told the United Nations that America does not need the Star Wars program.

Think about it. This Rusky wants it both ways. First, he builds missiles with billions of dollars of foreign aid from Uncle Sam; takes our money, builds the missiles; and if that is not enough to bust my colleagues' rubles, he then sells these missiles to our enemies who then point them at us.

I say here on the House floor that this guy, Putin, is not only drinking too much vodka, he is smoking dope. I say it is time to protect America from Russian politicians who should be addressing Alcoholics Anonymous not the United Nations.

I yield back the fact, Congress, that we have missiles pointed at us that were built with our cash and made by Russia.

#### THE BOY SCOUTS OF AMERICA

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, no organization has done more to train young men to believe in God and country than the Boy Scouts of America. No organization is more fundamentally decent and better for young men.

But the Clinton-Gore administration apparently thinks they are dangerous. After Democratic delegates booed a Boy Scout color guard at their convention, the Justice Department launched an investigation to see whether they should bar the Boy Scouts from Department of Interior programs because of their traditional American values.

They have since backed down. But just the fact that the Clinton-Gore administration even contemplated ban-

ning the Boy Scouts from national parks and programs because of their beliefs is an outrage.

The Boy Scouts is not a hate organization. It is the premier youth organization in America providing training for character and volunteerism. The Clinton-Gore administration should stop pandering to the loony left.

#### BUSH PROPOSAL ON PRESCRIPTION DRUG BENEFITS

(Mr. GEORGE MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, I would draw our colleagues' attention to The New York Times and the Washington Post this morning where, after reviewing the Bush proposal on Medicare drug benefits, prescription drug benefits for our elderly, they draw the conclusion that, in fact, it is no benefit at all for millions of modest-income senior citizens in this country.

In fact, it is a benefit that is illusory. It is a benefit that requires us to wait for the governor to put in place a new bureaucracy to provide for drug benefits. It is a benefit that can be charged any price for its premiums and, as they draw the conclusion, that millions and millions of Americans simply will not be able to afford it. Therefore, the benefit is of no value to them at all.

More and more independent reviews of the Bush proposal are drawing this same conclusion, that it is only the appearance of a prescription drug benefit. It is not in fact a prescription drug benefit and that it would rely on the same private insurance companies that today are gouging people for health care or withdrawing health care from the elderly or denying them the services.

The one thing the Bush proposal does do is it undermines the current Medicare system.

#### DEATH TAX OVERRIDE

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, last month the Clinton-Gore administration vetoed tax relief for the American people. They struck down a repeal of the death tax, a measure which taxes family businesses and farms on up to 55 percent of their value upon the death of their owner. Eighty-five percent of these businesses do not survive to the second generation because of the death tax penalty.

And to what end? Government enforcement of the death tax costs nearly as much as the tax actually generates. As a result, the death tax adds less than 1 percent of revenue to the Federal budget. In contrast, if we had ended the death tax last year, we could have created 45,243 more jobs this year and nearly 236,000 by 2010.

I urge my colleagues on both sides of the aisle to do the right thing: override this senseless veto and do away with the death tax.

#### BACK TO SCHOOL

(Mr. PASCRELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASCRELL. Mr. Speaker, millions of students across this country will get onto school buses and bikes to go back to school this week. Unfortunately, many of our Nation's students will be returning to crowded classrooms, run-down school buildings and outdated textbooks.

As a former teacher, I am acutely aware of both the excitement and the challenges facing our educational system today. We need to improve education by establishing tougher standards for our teachers, creating a school construction and modernization program, and funding preschool for some 3 year-olds and all of 4-year-olds. To that end, Congress must make education its top priority.

I would like to take a moment to wish a classroom in the Eighth Congressional District in New Jersey well this school year. Robin Holcombe is a kindergarten teacher in the Passaic School Number Six. She teaches 23 active, curious, and wonderful 5- and 6-year-olds. I want to let Robin know that the Congress is working for her and her students and will not rest until we provide her more professional training, smaller class sizes and her new kindergarten students with a sound and promising educational future.

Mr. Speaker, before I close, let me just say that many of the schools in northern New Jersey were built before the First World War. Congress must respond.

#### DEATH TAX OVERRIDE

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, if there is one thing that makes the United States a unique country, it is our idea that anyone with a strong work ethic can succeed in America.

For over 100 years, men and women have emigrated to this country to take advantage of the tangible ideal we call the American Dream. Not surprisingly, the Internal Revenue Service is taxing the American Dream into the grave with a mean-spirited provision called the death tax.

The death tax hurts average Americans who cannot afford to pay high-price lawyers to settle their affairs. As a result, 70 percent of small businesses do not survive into the second generation. That is totally unfair.

This Congress passed a bill to repeal the onerous death tax. Regrettably, the Clinton-Gore administration vetoed it.

Let us show the Clinton-Gore administration that the American dream is still alive. I urge my colleagues to support overriding the death tax veto.

#### DEATH TAX OVERRIDE

(Mr. HEFLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFLEY. Mr. Speaker, death should not be taxed. Unfortunately, current law allows the IRS to do just that. When a person who owns a small business or a family farm passes away, the Government taxes up to 55 percent of that business' worth.

The death tax has meant the end to thousands of family-owned enterprises. In fact, this tax prevents nearly 85 percent of these organizations from being transferred from one generation to the next.

Business owners who can afford high-price lawyers can sometimes avoid passing on this tax to their families, but average Americans often cannot. The American Dream should not be taxed. And yet in vetoing this legislation, the Clinton-Gore administration is doing just that.

It is wrong for the Government to compound the shock of losing a family member with the devastation of losing one's livelihood. Now is the time to right this injustice. Vote to override the Clinton-Gore veto of the death tax.

□ 1015

#### OIL PRICES HIT 10-YEAR HIGH

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, the top headline in this morning's Washington Post says, "Oil Prices Hit a 10-Year High."

One main reason the prices are this high and probably going higher is that the OPEC countries know that the environmental extremists in this country will not allow more domestic oil production.

The U.S. Geologic Survey says we have billions of barrels of oil, equal to 3 years' worth of Saudi oil, in one tiny 2,000- to 3,000-acre part of the coastal plain of Alaska.

We have billions more barrels off the U.S. outer-continental shelf.

Yet this administration has vetoed legislation and has issued an executive order to prevent production of this oil.

I wonder if some of these environmental groups are funded by companies that make more money when we buy foreign oil.

To be so dependent on foreign oil hurts both our economy and our national security and risks more oil spills at sea.

Those who like higher gas prices, Mr. Speaker, should write the White House and wealthy environmentalists and say thank you.

#### UNITED STATES HOLOCAUST MEMORIAL MUSEUM

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 570 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 570

*Resolved*, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4115) to authorize appropriations for the United States Holocaust Memorial Museum, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Resources. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Resources now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

(Mr. REYNOLDS asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER). During consideration of the resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, last night the Committee on Rules met and granted an open rule for H.R. 4115, a bill to authorize appropriations for the United States Holocaust Memorial Museum.

The rule waives all points of order against consideration of the bill and provides 1 hour of general debate equally divided and controlled by the chairman and ranking member of the Committee on Resources.

The rule further makes in order the Committee on Resources amendment in the nature of a substitute, now printed in the bill, as an original bill for the purpose of an amendment, which shall be open for amendment at any point.

Additionally, the rule waives all points of order against the committee amendment in the nature of a substitute and authorizes the Chair to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD.

The rule allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill and to reduce voting time to 5 minutes on a postponed question if the vote follows a 15-minute vote.

Finally, the rule provides one motion to recommit, with or without instructions.

Mr. Speaker, through Israeli poet Abraham Shlonsky's simple words, we are reminded of our continued responsibility to the memory of that greatest of all human tragedies that was the Holocaust:

"For my eyes that have seen the bereavement and burdened with the cries of my bowed heart I vow to remember all, to remember and not forget anything."

The terror spread by the Nazi regime across Europe from 1933 to 1945, the persecution and murder of millions of innocents because of their race, religion, political beliefs or nationality, stands to this day as one of the darkest, saddest, most tragic chapters of our world's history.

The Holocaust systematic annihilation of 6 million Jews by the Nazis and their collaborators is an unthinkable and unfathomable culmination of man's inhumanity to man.

But we must always think and we must always try to fathom what happened through the Holocaust. We must, as Abraham Shlonsky vowed, remember and not forget anything.

It was in that spirit of remembrance that in 1980 Congress established the United States Holocaust Memorial Council to plan a powerful living memorial to victims and survivors of the Holocaust.

The United States Holocaust Memorial Museum was opened in 1993 and has since become one of the most widely visited museums in Washington, D.C., hosting some 12 million visitors annually.

The museum is America's national institution for the documentation, study, and interpretation of Holocaust

history and serves as this country's memorial to the millions murdered during the Holocaust.

The museum's primary mission is to advance knowledge of this unprecedented tragedy, preserve the memory of those who suffered, and encourage its visitors to reflect not only on the moral and spiritual questions raised by the events of the Holocaust but on their own responsibilities as citizens.

As many of the millions who have visited the Holocaust Memorial Museum can attest, one cannot soon forget this haunting tour of the darkest aspects of human nature. Nor will one forget the spirit of the millions of victims who perished and the courage of those who survived to bear witness against these atrocities.

H.R. 4115 reauthorizes and establishes the United States Holocaust Memorial Museum as an independent entity of the Federal Government with the responsibility of its day-to-day operations and maintenance.

The bill is a work product of the gentleman from Utah (Mr. CANNON) and the House Committee on Resources based on the National Academy of Public Administration's 1999 report on the museum's maintenance, governance and management to the House Subcommittee on Interior.

The bill assures the continued presence and function of the memorial's current council by establishing it as the board of trustees with overall governance responsibility of the museum.

Additionally, this bill authorizes necessary appropriations to more effectively operate and maintain the museum.

Mr. Speaker, the Holocaust Memorial Museum is a tremendous testament to the human spirit; and as such, this body should have the fullest opportunity to amend any legislation pertaining to this memorial. By bringing this measure to the floor under an open rule, Members will have that opportunity.

Mr. Speaker, as Nobel Laureate and Founding Chairman of the United States Holocaust Memorial Council, Elie Weisel said, "that is what the victims wanted: to be remembered, at least to be remembered."

And only through remembrance can we truly vow, never again.

I urge my colleagues to support this fair and open rule and the underlying measure.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me the customary 30 minutes.

Mr. Speaker, since its opening in 1993, the Holocaust Memorial Museum has become one of the most visited

sites in Washington with nearly 15 million visitors in the past 7 years. This museum is a living memorial to the victims of the Holocaust and serves as the focus for education on the lessons of that great human tragedy in the hopes that one day we can rid the Earth of all genocide.

The underlying bill, H.R. 4115, would establish the museum as an independent entity of the Federal Government. Moreover, the measure provides the board of trustees with overall governance responsibility.

This legislation was introduced at the request of the council and the director of the museum. This is a non-controversial change in the operations of the museum which deserves the support of the House.

The rule is an open rule and will allow any germane amendment to be offered to the bill, although it is not anticipated that any will be offered.

I am particularly proud to speak in support of this bill because of my own experience of working with Holocaust survivors. The Holocaust embodied the worst of what human beings can do, and yet so many survivors are still filled with hope and faith in the basic goodness of human nature.

As sponsor of a separate bill, the Justice for Holocaust Survivors Act, I had the privilege of meeting and hearing from many of these remarkable individuals. It is one of the proudest accomplishments of my career in Congress that this modest bill helped to drive the German Government to double the size of its compensation fund for the survivors of slave labor camps.

Mr. Speaker, in order that the House might proceed directly to consideration of H.R. 4115, I urge adoption of the rule.

Mr. Speaker, I yield back the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered. The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 570 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4115.

□ 1028

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4115) to authorize appropriations for the United States Holocaust Memorial Museum, and for other purposes, with Mr. LATOURETTE in the chair.

The Clerk read the title of the bill. The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Utah (Mr. CANNON) and the gentleman

from California (Mr. MILLER) each will control 30 minutes.

The Chair recognizes the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I introduced this legislation to reauthorize the United States Holocaust Museum because the museum serves an important function in remembering the past.

This marks 7 years of success for the museum, which is visited by millions of people each year through its acclaimed exhibitions, education opportunities, publications and outreach programs.

Created by a unanimous act of Congress in 1980, the museum continues to receive strong support and recognition.

In addition to its primary mission of advancing and communicating knowledge of the Holocaust history, the museum offers an opportunity for its visitors to reflect upon the moral and spiritual questions raised by the Holocaust.

The success of the museum clearly demonstrates the public's deep interest in contemplating and gaining valuable lessons from the Holocaust.

□ 1030

The museum has had 14 million visitors, of which about 3.7 million have been children. In addition, 61 heads of state have visited, along with 2,000 foreign officials from 130 nations. In response to public demand, the museum has developed an educational and scholarly outreach program, with traveling exhibitions in 27 cities over the past several years. The teacher program serves 25,000 educators across the United States annually. Their Web site has received 1.5 million visits each year.

The museum has received recognition internationally as a center for Holocaust research and remembrance. There has been a dramatic growth in its collections, including more than 35,000 artifacts, 12 million pages of archived documents, 65,000 photographic images, oral histories from over 6,000 individuals, a library of over 30,000 volumes in 18 languages, and a renowned registry of Holocaust survivors and their families with a total of 165,000 listings. The museum is an invaluable reference service for the public, with the Museum archival, photo, historian's office and library staff responding to over 18,000 requests each year for information, guidance and services.

These accomplishments demonstrate the museum's extraordinary public service and the success it has achieved on the National Mall, across the United States and internationally. The museum's mission to carry the legacy of Holocaust education and conscience forward into the 21st century is important. The museum is key to strengthening our ability as Americans to understand history's painful lessons, to help us overcome the worst of human impulses, and to improve our future.

I might just point out here that the Holocaust that we are dealing with is not just that of the Nazi atrocities leading up to and through World War II. We have had a large number of nations who have persecuted and murdered their citizens. In Cambodia we have had about 2 million people murdered. East Timor had 200,000. In Uganda, 750,000 people were murdered. And in Rwanda recently 800,000 people. Armenia had about 600,000 people murdered and in Russia if you include not just the decisions to murder citizens but the stupidity of the command economy, somewhere between 80 and 100 million people died at the hands of the government or at the decisions of the government.

The bill before us authorizes necessary appropriations to more effectively operate and maintain the museum. None of the funds are authorized for construction purposes. Federal appropriations for the museum have averaged around \$31 million annually for the last 5 years and the budget request for fiscal year 2001 is \$34.6 million. Donated funds have averaged approximately \$21 million for the last 3 years, with expected donations of \$21.4 million in 2001.

When the National Academy of Public Administration studied the functioning of the museum, they recommended several minor changes which are incorporated into this legislation. Among them are the ability to retain revenue from activities undertaken by the museum and several slight organizational changes to make the museum more efficient. This bill will support the mission of the United States Holocaust Memorial Museum and its enduring role in our society.

As a member of the museum's council I am proud to be a sponsor of this legislation. Several of our colleagues are also members of the council. The gentleman from New York (Mr. GILMAN), the gentleman from Texas (Mr. FROST), the gentleman from California (Mr. LANTOS), and the gentleman from Ohio (Mr. LATOURETTE) contribute to the important cause of the museum and council by serving on the council. I urge my colleagues to join me and the 24 original cosponsors in voting for this legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 4115 is a non-controversial measure that would legislatively establish the United States Holocaust Memorial Museum as the institution with primary responsibility for our national remembrance to victims of the Holocaust. In addition, the bill provides for the permanent authorization of appropriations for the museum's operation.

In 1980, Congress enacted Public Law 96-388 establishing a U.S. Holocaust Memorial Council. Among the council's responsibilities was the planning, con-

struction and operation of a permanent living memorial museum to the victims of the Holocaust in cooperation with the Secretary of the Interior and other Federal agencies.

The United States Holocaust Memorial Museum opened to widespread acclaim in April 1993. Visitation to the museum has greatly exceeded our expectations. With more than 2 million visitors annually, it is one of the most visited museums in Washington, D.C. In addition, the museum has won awards for architectural and programmatic excellence.

H.R. 4115 is based upon the recommendations of a study done by the National Academy of Public Administration on the governance and management of the council and the museum. The bill would establish the U.S. Holocaust Memorial Museum as the institution with primary responsibility for the mandates of the original Holocaust Memorial legislation.

The existing Holocaust Memorial Council would be established as a board of directors of the museum with the council's director as the chief executive officer of the museum. The bill would also authorize the museum to retain and expend revenues generated from activities. The bill includes a permanent authorization of appropriations of such funds as may be necessary for the museum's operation.

Mr. Chairman, we must assume that the Republican leadership had some time it needed to fill on the floor schedule because H.R. 4115 is a wholly noncontroversial measure that did not need to be brought to the floor under a rule. Nevertheless, I support the bill and urge my colleagues to do likewise.

Mr. Chairman, I reserve the balance of my time.

Mr. CANNON. Mr. Chairman, I yield such time as he may consume to the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Chairman, I rise in support of H.R. 4115, a bill to reauthorize the United States Holocaust Memorial Museum introduced by the gentleman from Utah (Mr. CANNON).

Mr. Chairman, H.R. 4115 reauthorizes and establishes the United States Holocaust Memorial Museum as an independent entity of the Federal Government with the responsibility of maintaining and operating the museum. The gentleman from Utah (Mr. CANNON) deserves credit for crafting this bill which helps a very important part of the Washington, D.C. museum complex and is an important part of history.

On November 1, 1978, then President Jimmy Carter established the President's Commission on the Holocaust charged with the responsibility to submit a report to the President on the establishment and maintenance of an appropriate memorial to commemorate victims of the Holocaust. The final report called for a memorial and museum as a Federal institution serving the public, scholars and other institutions. In 1980, Congress passed a law which established the U.S. Holocaust Memorial

Council and, among other things, required them to plan, construct and operate a permanent living memorial museum to the victims of the Holocaust in cooperation with the Secretary of the Interior and other Federal agencies. In April of 1993 the Holocaust Memorial Museum opened and since then has become one of the most visited sites in Washington, D.C., hosting approximately 2 million visitors annually.

At the request of the Subcommittee on Interior of the Committee on Appropriations, the National Academy of Public Administration prepared a report in 1999 to assess the museum and make recommendations to improve the museum's governance, management, and administration. H.R. 4115 implements many of these recommendations.

The Holocaust Memorial Council was formed in 1980 for the purpose of establishing a permanent living memorial museum. Having accomplished this, H.R. 4115 establishes the Holocaust Memorial Museum, rather than the council, as the institution for the primary responsibility for the museum's operation. The Holocaust Memorial Council, however, would still function as the governing body in serving as the board of trustees. The council is currently composed of 65 voting members appointed by the President, the Speaker of the House, and the President pro tempore of the Senate. Three members of the council are selected by the President's Cabinet. Among the current council members are five Members of the House, including the gentleman from Utah (Mr. CANNON), the gentleman from New York (Mr. GILMAN), the gentleman from Texas (Mr. FROST), the gentleman from California (Mr. LANTOS), and the gentleman from Ohio (Mr. LATOURETTE). This bill authorizes necessary appropriations to more effectively operate and maintain the museum. However, none of the funds may be used for construction purposes.

This is a good bill which assists in the continuation of one of our most important museums. I urge my colleagues to support this. I know, as many Members of Congress know, probably more people ask to go to the Holocaust Museum now than probably any other place outside of the White House and this building.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. BONIOR), the minority whip.

Mr. BONIOR. Mr. Chairman, I thank my colleague for yielding time. Let me thank the gentleman from California (Mr. GEORGE MILLER) for his leadership and my colleague on the Republican side of the aisle for his leadership on this bill.

Mr. Chairman, not very far from here there is a woman who lives in a nursing home and her name is Janka Fischer. She is 101 years of age. Most of the people in the home know Mrs. Fischer as a kind woman with a Hungarian accent

who despite her age always wants to help others. What only a few know is that 60 years ago, Mrs. Fischer was a talented seamstress in her native Budapest. She had a small business of her own and a close, loving Jewish family. And then all of that changed. The Hungary she lived in became a very different place than the nation she grew up in. It was a nation living under Fascism, a country where it was no longer safe to be a Jew.

In the summer of 1944 with the war clearly lost, the German government ordered the annihilation of the Hungarian Jews. The author Daniel Goldhagen writes that between May 15 and July 9, the Germans diverted box cars from the war effort to send 43,000 Hungarian Jews to concentration camps. Most of the Jews were murdered in the gas chambers at Auschwitz. Others died in different camps and on forced marches. A relative handful survived. They included Mrs. Fischer and two of her daughters. Almost everyone else died in the chambers. Mrs. Fischer still cannot talk about that time without bursting into tears. How could she do otherwise? Through luck and through her sheer tenacity, she survived the Holocaust. But will the memory of the Holocaust survive Mrs. Fischer? Will it survive the others who suffered through it?

We have a responsibility to see to it that it does, to see to it that future generations understand the lessons of that era and to see to it that the world never forgets them. That is the special mission of the Holocaust Memorial Museum and that is why it has earned the support of every American. We owe that to those who died in the gas chambers at Auschwitz. We owe it to that nice old woman with the Hungarian accent named Janka Fischer.

Again, I thank my colleagues for their leadership in bringing this to the floor.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. ROTHMAN).

(Mr. ROTHMAN asked and was given permission to revise and extend his remarks.)

Mr. ROTHMAN. Mr. Chairman, first I want to thank the ranking member, the gentleman from California (Mr. GEORGE MILLER), for all his assistance in putting together this bill; and of course, I want to recognize my dear, dear friend, the gentleman from Utah (Mr. CANNON), who in my 4 years now in the Congress I have not found an individual of higher integrity and moral purpose than the gentleman from Utah. It is just a pleasure to serve with him. I thank him for his leadership on this issue.

As an original cosponsor of this bill, I welcome this legislation's intent to permanently authorize appropriations for the United States Holocaust Museum. By passing this bill today, this body will give the United States Holocaust Memorial Museum, quite appro-

priately, I believe, the same permanent authorization for appropriations that is currently reserved for the Smithsonian Institution and the National Archives.

Mr. Chairman, I believe that it is in America's vital national interest to continue the way in leading and in remembering and preventing the crimes against humanity that are depicted in the U.S. Holocaust Memorial Museum. It is the exact purpose served by the Holocaust Museum and a purpose that will continue to be realized if we pass this resolution today.

During the past 7 years, 61 heads of state and 2,000 foreign officials from over 130 countries have toured the Museum and learned more about the horrors of the Holocaust and about what can happen. Each year, more than 25,000 teachers nationwide are provided with materials and training on the continuing lessons of the Holocaust. And since its opening in 1993, the U.S. Holocaust Memorial Museum has welcomed over 13 million visitors.

□ 1045

What is the lesson of the U.S. Holocaust Memorial Museum my friends? The lesson is that ignorance, hatred, and intolerance, if left unchecked can result in the slaughter of innocent millions and millions and millions of men, women, and children.

Whether we study the holocaust or any other genocide, we can learn these lessons, it is the role of the U.S. Holocaust Memorial Museum that serves this purpose today. We need to make sure that the slaughter, the shame, and the scars of this Holocaust and all the genocides of the 20th century are never repeated.

Mr. CANNON. Mr. Chairman, I yield myself such time as I may consume.

First of all, I would like to thank my dear friend, the gentleman from New Jersey (Mr. ROTHMAN) and for his kind words. We got to know each other when we cohosted our freshman class in the evening that we held at the Holocaust Museum and while we differ on a number of issues, there are some things that draw us together as Americans and as friends.

Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. REGULA), the chairman of the Appropriations Subcommittee on Interior.

(Mr. REGULA asked and was given permission to revise and extend his remarks.)

Mr. REGULA. Mr. Chairman, I thank the gentleman from Utah (Mr. CANNON) for yielding me the time.

Mr. Chairman, I rise today to offer my strong support for the passage of H.R. 4115, the reauthorization of the U.S. Holocaust Memorial Museum.

For the past 6 years, I have chaired the Appropriations Subcommittee on Interior which provides the Federal funding for this outstanding museum, and I am pleased today to offer my support for its reauthorization.

The Holocaust Museum was constructed with private funding in 1993 and today remains a model public, private partnership. As has been said before, it has served something in excess of 13 million visitors and students and dignitaries from all over the world, including 130 foreign countries.

The bill to reauthorize the museum is an important document, as it makes important improvements to the museum's overall administration and operation. These changes set the museum on a very positive course for the future and have been recommended by the National Academy of Public Administration.

With these changes in place, the museum may continue to carry out its important mission of serving as this country's memorial to the millions of people murdered during the Holocaust and of educating us and future generations so that we may prevent such a tragedy from ever again occurring. And I cannot emphasize enough the education role of this museum.

Mr. Chairman, I thank you again for the opportunity to express my strong support for this bill.

Mr. Chairman, I rise today to offer my strong support for the passage of H.R. 4115, the authorization of the U.S. Holocaust Memorial Museum. For the past six years, I have chaired the Interior Appropriations Subcommittee which provides the federal funding for this outstanding museum, and I am pleased today to offer my support for its reauthorization.

The Holocaust Museum was constructed with private funding in 1993 and today remains a model public private partnership. Since its opening, the museum has received 13.5 million visitors, including students and dignitaries from all over the United States and 130 foreign countries.

The bill to reauthorize the museum is an important document, as it makes important improvements to the museum's overall administration and operation. These changes set the museum on a very positive course for the future and have been recommended by the National Academy of Public Administration. With these changes in place the museum may continue to carry out its important mission of serving as this country's memorial to the millions of people murdered during the Holocaust and of educating us and future generations so that we may prevent such a tragedy from ever again occurring. I cannot emphasize enough the important role of the Museum in educating the visitors about this tragedy.

Mr. Chairman, thank you again for the opportunity to express my strong support for this bill.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Chairman, I thank my friend, the gentleman from California (Mr. GEORGE MILLER) for yielding me time, and I want to express my appreciation to the gentleman and also to the gentleman from Utah (Mr. CANNON) for their leadership on this issue.

Mr. Chairman, I, of course, rise in strong support of this legislation as the

only survivor of the Holocaust ever elected to the Congress of the United States. The Holocaust Memorial Museum clearly fulfills two equally important but very different functions. It stands as a permanent tribute to the vast numbers of innocent men, women and children who were murdered on a gigantic scale by the Nazi war machine and their allies, but it also stands as one of the foremost pedagogic institutions of the United States of America, because it opens its doors to millions of young people in this country who go through the halls of the museum in disbelief and horror as they are confronted with man's mindless inhumanity to man.

In the harried days at the end of the Second World War, it was customary to say "never again". But, of course, that phrase from the vantage point of the year 2000—has a very hollow ring, because time and time again populations were extinguished in southeast Asia, in central Africa and elsewhere as religious and ethnic and racial hatred ran amuck. People killed others for the sole reason that they were of a different ethnic or religious or linguistic or racial community.

It is one of the great achievements of our great republic that the first military undertaking of human history purely for reasons of human rights was initiated by the United States and our NATO allies in the former Yugoslavia just a year and a half ago. We simply felt that the killing of innocent people in Kosovo was unacceptable because they represented a different religious or ethnic group from the dominant religious or ethnic group of Yugoslavia.

So I think the Holocaust Memorial Museum needs to be viewed in a very broad context. It is a reminder for all time to come of the nightmare of the Holocaust, the massacre of 6 million innocent people by a regime of ultimate brutality and barbarity. But it is also an educational institution that reminds us for all time to come that hate crimes lead to more hate crimes, and when hate crimes become endemic, we have a Holocaust.

The Holocaust Memorial Museum is one of the most significant institutions of our Nation, and it speaks well for the Congress of the United States that today we will be reauthorizing this institution—I trust unanimously—to carry on its sacred mission.

Mr. CANNON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to thank the gentleman from California (Mr. LANTOS) for his very kind words. The gentleman knows I have been a great admirer of his for many years, in fact 25 years ago when I first met his beautiful daughters before he was a congressman.

Mr. Chairman, I yield as much time as he may consume to the gentleman from Ohio (Mr. LATOURETTE), a fellow council member on the Holocaust Museum.

Mr. LATOURETTE. Mr. Chairman, I thank the gentleman from Utah (Mr. CANNON) for yielding me the time.

Mr. Chairman, I rise today in support of H.R. 4115, the legislation in front of the body.

Over the last 6 years, I have had the honor of serving as one of the council members of the Holocaust Museum, and I can say with all candor, that that service has been one of the highest honors if not the highest honor that I received since I have been in the United States Congress.

During my time of service, I have had the opportunity to learn firsthand what all of us really knew, that it is a remarkable institution. The museum recently marked its 7th anniversary and in its short tenure it certainly made its mark.

There was great anticipation and excitement when it was about to open and when the idea was conceived, but I do not think anybody would have recognized what it would achieve in only 7 years. Other speakers have talked about the shattered attendance records. People have talked about the fact that dignitaries from 130 countries have come. And while those dignitaries garner the headlines, it is the everyday people from all walks of life who really make the story of the museum so special: parents and children, school groups, community groups, and teachers.

Given the museum's success, it is hard to believe today that before its opening there was genuine concern as to whether or not this museum would appeal to anyone but Jews. People were afraid that visitors would not come. Of the millions of people, Mr. Chairman, who have visited the museum, 80 percent of all visitors are not Jewish, 14 percent are foreigners and 18 percent have come to the museum more than once.

When the museum celebrated its 5th anniversary, it commissioned a survey about the Americans' view of the Holocaust. The purpose of the survey was to judge Americans' depth of understanding and also to focus and continue to focus the mission of the museum. The survey had encouraging and discouraging results. Seventy-seven percent of Americans had heard of the museum, and 61 percent said they would be interested in visiting it if they came to Washington, D.C. Two of every three Americans polled wanted to learn more about the Holocaust, and minorities were most enthusiastic in that regard including 79 percent of the African Americans polled and 75 percent of the Hispanics.

Eighty percent, four out of every five Americans surveyed pictured the Holocaust as one of the history's most important lessons, placing it behind the American Revolution, but ahead of the American Indian struggles, the U.S. civil rights movement, Vietnam, slavery and the Cold War.

Responses also proved the value worth of the museum and its role in

educating the public. One out of every five Americans, 20 percent, do not know or were not sure that Jews were killed during the Holocaust or that it occurred during the Second World War. More than 70 percent of those polled falsely believed that the United States granted asylum to any and all European Jews that wanted it. Sadly, in fact, the United States had one of the worst records in accepting refugees. Only 21,000 refugees were accepted in the United States as they fled Nazism during World War II.

Mr. Chairman, my first experience at the museum, I was taken by a fellow by the name of Mark Newman, whose father was a Holocaust survivor, and although he said I should come back, and I have come back many times to spend 4 hours and 5 hours in the museum at a time, he wanted to show me two exhibits. Because I was going to be a new legislator, he wanted to show me the exhibit on the St. Louis and the exhibit on the failed conference at Evian, the conference wherein supposedly the great powers of the world got together to determine which country would in fact accept refugees who were fleeing for their very lives from the stain of Nazism. That conference failed, it failed, and my host made the observation, because legislators did not do their job at this moment in time, and it remains a stain of shame on the United States. It remained a lesson that I carry with me as I make decisions here in the House of Representatives.

I want to thank the gentleman from Utah (Mr. CANNON) for bringing forth this legislation. It is a good bill. It passed unanimously when it was first authorized, and it should again today.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I just wanted to thank the gentleman from Utah (Mr. CANNON) for bringing this legislation forward and note that many of the speakers this morning talked about the educational aspect of this museum. Many of us have school children, young people who come and visit Washington as part of trips for various organizations or schools or social clubs and what have you, and when you talk to these young people when they come to our office and you ask them about their experience in Washington D.C., for those who had the opportunity to visit the Holocaust Museum, it is quite something to talk to these young people as they speak of their amazement, of their horror, and of their sadness visiting the museum, and the fact that but for the museum they may have never learned or they had not learned to date of the story of the Holocaust, of the history of the Holocaust and of the scale of the Holocaust.

Clearly, a decision that was championed for so long by our former colleague Sidney Yates of Illinois, a decision by this Congress to establish this museum is clearly one that is paying

back incredible dividends in terms of enriching the knowledge of history of young people and so many others in this country and from around the world about the Holocaust.

I think the Congress should be very proud of the establishment of this museum. As the gentleman from Ohio (Mr. LATOURETTE) pointed out, at one point people thought maybe this was not wise, it should not be done, there was no constituency for it. But the fact of the matter is, that we now see it as among the most visited of the museums and sites in Washington D.C.

When we establish these kinds of museums or the national parks or the wilderness areas, very often, as we find out, these are decisions that we make that keep giving back to this Nation, and they give back on a daily and a yearly basis as they enrich the lives and the understanding of the American people and others about our place in history, about the role of history and our consideration of the future.

□ 1100

Clearly the Holocaust Museum is a major, major monument to that effort. As the gentleman from California (Mr. LANTOS) reminds us, the Holocaust is not only about the past and about history, it is about a very deep consideration of human rights in the future and in current-day political struggles throughout the world.

In many ways, that may be one of the finest gifts that the Holocaust Museum gives to each new generation as they take their place of position of authority, is to think about the Holocaust, and then to think about the tragedies that everyday people are suffering throughout the world at the hands of despots and those who seek power almost just for power's sake, but have to do it at the great price of another people so that they can achieve that kind of incredible totalitarian power over others.

So it is with great respect that I support this legislation, and again thank the gentleman from Utah (Mr. CANNON) and the cosponsors of this legislation.

Mr. Chairman, I yield back the balance of my time.

Mr. CANNON. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I just was thinking as we reflected on the success of the museum that we should mention that Miles Lerman, who was chairman of the museum board for many years, along with Congressman Sid Yates, who was chairman of the Committee on the Interior working together, really made this a success. I think much of what we have discussed today is a reflection of the initiative of these two individuals and the enormous amount of effort they put into making this museum what it is today with its ability to serve the public and convey a message.

Mr. CANNON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to close by encouraging Members of this body and other Americans to visit the museum. I thought I might do that by telling my personal experience with the museum. First of all, I would like to thank the ranking member of the committee for his support and help during this debate and the development of the bill.

I was born in 1950, shortly after World War II; and, as I went through high school, one of the kindest, most thoughtful professors, teachers, that I had there was a Jew who had survived the holocaust. He had a colleague, who I never had a class from, but who had a son that was my age, so I became friends with the three of them.

One of the most stark experiences of my youth was to see those two teachers of history roll up their sleeves and show me a tattoo that had been put on their arms by the Nazi regime. That framed much of my view of the world and of history and of the role of government, frankly, and it was very important to me.

Since the opening of the museum, I have visited it several times; and it is a tremendously personal experience to go through that museum. You are confronted with the best and worst in the impulses of human beings as you go through it. It is an intimate experience. We do not have many survivors of the Holocaust left who can give the impression to young people that those two great men gave to me.

So I would encourage everyone to go through and visit the museum. I will say that it is a stark experience. There are places that have barriers so that small children cannot see some of the demonstrations of the inhumanity of man to man. They are worth looking at and considering.

Mr. Chairman, let me just say it has been a great pleasure to work on this bill with all of those involved.

Mr. CROWLEY. Mr. Chairman, I rise in strong support of H.R. 4115, the United States Holocaust Memorial Museum Act. As the only Member of the New York State delegation to serve on the Committee on Resources, I was pleased to co-sponsor this legislation.

Seven years ago, the Holocaust Museum was opened in Washington D.C. as both a stark testament to the sheer brutality of the Holocaust and as an appropriate way to learn from the past so that we never repeat it.

I believe the words of General Dwight David Eisenhower dating from April 15, 1945 express the horrors of the Holocaust best and reaffirm why this Institution is needed. His quote, as it is inscribed on the walls outside the Museum, states:

The things I saw beggar description . . . the visual evidence and verbal testimony of starvation, cruelty, and bestiality were overpowering. I made the visit deliberately in order to be in position to give first hand evidence of these things if ever, in the future, there develops a tendency to charge these allegations merely to quote "propaganda."

I encourage all Americans to visit this Museum in our Capitol City and witness firsthand the powerful images of both hope and hatred

expressed in that building. From the railroad car that transported human beings like chattel to the concentration camps, to the powerful testimonies of real survivors, the images are real, stark and bitter.

On my first visit, I was most struck by the fact that, as you begin the tour, every visitor is provided an identification card of a real victim of the Holocaust.

As you walk through the Museum, you turn the page of "your" life story. As I reached the end, I felt personally connected to my "identity" and was disturbed to learn of "my" fate.

Unfortunately, the lessons and the educational seminars of the Museum today are still needed as we still witness genocide on our planet today.

Here, I remember back to the opening ceremony of this Museum. Holocaust survivor and author Eli Weisel was one of the principal speakers and he stood and challenged President Clinton, sitting next to him, to address the new Holocaust of the 1990's—Bosnia.

He spoke about the true mission of the Museum—to teach us about our past so that we will never repeat them in the future. That is not only a Museum of the past but of the present and the future.

Unfortunately, our world continues to witness mass death, genocide and violence driven solely by hatred of an individual based on one's race, religion, ethnicity or sexual orientation—like we saw under Hitler.

While I proudly stand in support of this legislation—the Holocaust Museum is more than a Washington landmark. It is a reminder of what our world has witnessed and a testament that more work is needed so that no more memorials need to be erected to victims of genocide and hate.

I also want to thank two of my colleagues. The first is my current colleague, Representative TOM LANTOS, a Holocaust survivor and a moral voice for all of us in this Chamber.

I would also like to acknowledge the work of a former colleague, someone I have not had the pleasure to serve with, but whom, without his leadership, the Museum may not be standing today. That person is Congressman Sid Yates.

The first time I visited the Museum, I was joined by his successor, Representative JAN SCHAKOWSKY, who has carried on his dedication and support for this fine institution.

Congressman LANTOS, I honor you. Congressman Yates, I remember you today.

Mr. BENTSEN. Mr. Chairman, I rise in strong support of H.R. 4115, legislation to officially establish the United States Holocaust Museum and authorize appropriations for its operation. The U.S. Holocaust Memorial Museum is this nation's premiere institution for the documentation, study, and interpretation of Holocaust history, and serves as this country's memorial to the millions of people murdered during the Holocaust.

Chartered by a unanimous Act of Congress in 1980, the Holocaust Museum has greatly broadened public understanding of the history of the Holocaust through multifaceted programs. The Holocaust represents the most tragic human chapter of the 20th century when six million Jews perished as the result of a systematic and deliberate policy of annihilation. The Holocaust Museum allows us all to bear witness to the atrocities of the period and challenges us to confront the indifference of that our own political leaders showed at that

time. These lessons are critical, especially in light of the use, in recent years, of genocide for political and tactical purposes by regimes in Europe and Africa.

As an aside, I would like to take this time to also recognize the Holocaust Museum of Houston. Since its opening in 1996, the Holocaust Museum of Houston, like its national counterpart in Washington, has installed exhibits that not only remind visitors of those who died and survived the tragedy of the Holocaust, but also to educate the public, specifically school-age children, about the dangers of racial intolerance.

Mr. Chairman, I rise in strong support of H.R. 4115 and urge my colleagues to join me in authorizing appropriations for the U.S. Holocaust Memorial Museum.

Ms. SCHAKOWSKY. Mr. Chairman, I am proud to join my colleagues today in support of H.R. 4115, the U.S. Holocaust Memorial Museum Authorization. This bill builds upon and continues the legacy of my predecessor Representative Sidney Yates whose hard work led to the passage of legislation establishing the Holocaust Memorial Council in the 96th Congress.

The vision of Congressman Yates and so many others has translated into a powerful, successful, and beautiful testament to the lives that were lost to the Holocaust, the United States Holocaust Memorial Museum. And what a testament the Museum is. Without about 12 million visitors every year, the museum has served as an incredible teaching tool, as well as a place of peace where people can go to remember those who were lost. Along with the great success of the facility here in Washington, the Museum does substantial outreach to schools and communities throughout the nation. The traveling exhibits of the Museum have brought the lessons of the Holocaust to those who are unable to visit the nation's Capital. The Museum also provides materials for teachers who devote class time to Holocaust commemoration. Anyone, who has visited the Museum or one of its traveling exhibits understands the important role they play and the important lessons they can teach to all Americans.

The Holocaust Memorial Council has also helped guide this body in observance of the Days of Remembrance every year when we take time in the nation's Capital to commemorate the Holocaust.

The bill we are considering today makes permanent the authorization of such sums as necessary for the Museum to continue to operate. Besides going through the formality of making this funding permanent today, we are making an important statement. With passage of this legislation, the members of this body are saying to the nation and to the world that we will never forget and that we will continue to teach our children and our children's children that what happened during one of the world's darkest and most tragic chapters in history must never again be tolerated.

Again, Mr. Chairman, I join my colleagues in supporting this legislation and I thank all members who worked to bring this measure to the floor. I urge all members to vote in support of H.R. 4115.

Mr. PAUL. Mr. Chairman, I rise today in hesitant opposition to H.R. 4115, the U.S. Holocaust Memorial Museum Authorization Act. We as vigilant Americans must never forget the horrific lessons of the past and those at-

tendant consequences of corporatism, fascism, and tyrannical government; that is, governmental deprivation of individual rights. A government which operates beyond its proper limits of preserving liberty never bodes well for individual rights to life, liberty and property. Particularly, Adolph Hitler's tyrannical regime is most indicative of the necessary consequences of a government dominated by so-called "government-business" partnerships, gun-confiscation schemes, protectionism, and abandonment of speech and religious freedom in the name of "compelling government interests."

Ironically, this measure's language permanently authorizes the appropriation of such sums as may be necessary for the United States Holocaust Memorial Museum; a purpose which propels our very own federal government beyond its constitutionally enumerated limits. This nation's founders were careful to limit the scope of our federal government to those enumerated powers within Article One, Section 8 of the U.S. Constitution. These limits were further instilled within the bill of rights' tenth amendment which reserves to States and private parties those powers not specifically given to the federal government.

Evidence that such private contributions can properly memorialize this most important historical abhorration can be found given that this museum receives approximately \$20 million in private donations annually.

Mr. Chairman, while I agree it is most important to remember and memorialize with a heavy heart the consequences of tyrannical governments operating beyond their proper limits, ignoring our own government's limits of power and, thus, choosing a means incompatible with its ends to do so must not be tolerated. Hence, I must oppose H.R. 4115.

Mrs. MALONEY of New York. Mr. Chairman, I rise today in strong support of this legislation. The Holocaust Memorial Museum is a powerful tool to educate about the horrors of the Holocaust, to preserve the memory of the millions who suffered, and to teach its visitors how hate and intolerance can lead to tragedy. Over the last 7 years, almost 15 million people have visited the Museum and witnessed firsthand the truth about what happened during the Holocaust. Thousands more have toured the traveling exhibits the Museum coordinates and conferences around the country. In Washington, DC alone, a record 1.5-million visitors have toured the museum this year.

It is critical that a sensitivity to the Holocaust be instilled in our society. Even today there are establishments that are teaching that the Holocaust never happened or avoid it altogether.

I recently heard from a woman that was taught in her high school history class to appreciate the leadership Hitler brought to Germany. In fact, her only assignment on World War II was to write a paper praising Hitler's regime.

Unfortunately, it wasn't twenty years ago that this happened. In fact, there are organizations out there today with the sole purpose of denying that the Holocaust ever happened. This makes the role of the United States Holocaust Memorial Museum that much more necessary.

Educating about past wrongs and teaching tolerance instead of hate is the only means we have to help prevent future tragedies.

I urge my colleagues to continue to support the United States Holocaust Memorial Mu-

seum and in doing so, honor the memory of all those who suffered at the hands of hate.

Mr. GILMAN. Mr. Chairman, I rise in strong support of legislation the House is considering today, H.R. 4115, which authorizes appropriations for the United States Holocaust Memorial Museum. In so doing, this legislation also commends the vital, ongoing work of the Museum in speaking the truth against those who would deny that the Holocaust ever took place or who attempt to negate that the Holocaust specifically targeted Jews for extinction.

I especially commend the sponsor of this measure, Mr. CANNON of Utah, who serves with me on the Holocaust Memorial Council. I wish as well to thank the Chairman of the Resources Committee, Mr. YOUNG, and the Chairman of the Subcommittee on National Parks, Mr. HANSEN, for their great support and commitment to the Museum and this subsequent authorizing legislation.

In its seven year history, the Holocaust Memorial Museum has had 14 million visitors, of which 3.7 million have been children. In addition, 61 heads of state have visited, along with 2,000 foreign officials from 130 nations.

The Museum has sent traveling exhibits to over 27 cities in the past few years. Its teacher program serves 25,000 educators across the United States annually, and its website has received over 1.5 million visits per year since its inception.

The Museum is recognized internationally as a major center for Holocaust research and memory. It contains more than 35,000 artifacts, 12 million pages of archived documents, 65,000 photographic images, oral histories from over 6,000 individuals, a library of over 30,000 volumes in 18 languages, and a renowned registry of Holocaust survivors and their families with a total of 165,000 listings.

The museum has become an invaluable reference for the public, and over 18,000 requests for information are fulfilled each year.

The House Resource Committee's report notes that, "H.R. 4115 reauthorizes and establishes the United States Holocaust Memorial Museum as an independent entity of the federal government with the responsibility of maintaining and operating the Museum. This bill assures the continued presence and function of the (Holocaust Memorial) Council by establishing it as the board of trustees of the Museum with overall governance responsibility for the Museum. This bill authorizes necessary appropriations to more effectively operate and maintain the Museum . . . Federal appropriations have averaged around \$31 million annually for the last five years. The budget request for Fiscal Year 2001 is \$34.6 million. Donated funds have averaged approximately \$21 million for the last three years with expected donations of \$21.4 million for 2001.

Mr. Chairman, as a member of the Museum's Holocaust Memorial Council I am pleased to cosponsor this legislation. I also wish to express my support and gratitude for the hard work and dedication shown by the Museum's director, Sara Bloomfield, and its chairman, Rabbi Irving "Yitz" Greenberg. I have no doubt that under their guidance, the Holocaust Memorial Museum will continue to be regarded as the pre-eminent Holocaust related institution in the United States.

Accordingly, Mr. Chairman, I strongly urge my colleagues to join in expressing their support for the critically important work of the Holocaust Memorial Museum by adopting H.R. 4115.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today to strongly support H.R. 4115, the U.S. Holocaust Museum Authorization.

This is an important measure that comes at a critical time in the 106th Congress. The legislation permanently authorizes the appropriation of such sums as necessary for the United States Holocaust Memorial Museum. We should not delay our full support of H.R. 4115. There is no common-sense reason to delay or impede this wise and timely step.

A 1980 law (PL 96-388) established the Holocaust Memorial Council, which was to plan, construct, and operate a permanent memorial museum to the victims of the Holocaust.

I was delighted when the U.S. Holocaust Museum was opened in April 1993. It is no secret that it has become one of the most visited sites in Washington, averaging about 12 million visitors per year.

The victims of the Holocaust must be remembered so that no such tragedy ever happens again.

A 1999 study conducted by the National Academy of Public Administration recommended changes in the way the museum is governed and managed. The recommended changes will, among other things, facilitate greater public understanding of why the museum was needed in the first place.

H.R. 4115 also changes the museum's management structure by moving the day-to-day responsibility for maintaining and operating the museum from the Holocaust Memorial Council to the museum.

Under the bill, the museum also would be changed from a federal institution to an independent entity of the federal government. This is surely a well-reasoned decision by those that have done a good job in carrying out the will of Congress. It is vital to monitor the museum's continued development.

During the last five fiscal years, federal appropriations for the museum have averaged \$31 million. The administration's budget request for fiscal 2001 is \$34.6 million. The museum also receives approximately \$20 million in donations annually. Congress should, at the very minimum, support this very modest increase, particularly on behalf of the families and friends of the victims of the Holocaust. That is the least we can do.

This bill properly implements the Academy's recommendations. It deserves our continued support, and I urge my colleagues to vote in favor of this bill.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment and is considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 4115

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. AMENDMENT.**

*Chapter 23 of title 36, United States Code, is amended to read as follows:*

**“CHAPTER 23—UNITED STATES HOLOCAUST MEMORIAL MUSEUM**

“Sec. 2301. Establishment of the United States Holocaust Memorial Museum; functions.

“Sec. 2302. Functions of the Council; membership.

“Sec. 2303. Compensation; travel expenses; full-time officers or employees of United States or Members of Congress.

“Sec. 2304. Administrative provisions.

“Sec. 2305. Staff.

“Sec. 2306. Insurance for museum.

“Sec. 2307. Gifts, bequests, and devises of property; tax treatment.

“Sec. 2308. Annual report.

“Sec. 2309. Audit of financial transactions.

“Sec. 2310. Authorization of appropriations.

**“SEC. 2301. ESTABLISHMENT OF THE UNITED STATES HOLOCAUST MEMORIAL MUSEUM; FUNCTIONS.**

*“The United States Holocaust Memorial Museum (hereinafter in this chapter referred to as the ‘Museum’) is an independent establishment of the United State Government. The Museum shall—*

*“(1) provide for appropriate ways for the Nation to commemorate the Days of Remembrance, as an annual, national, civic commemoration of the Holocaust, and encourage and sponsor appropriate observances of such Days of Remembrance throughout the United States;*

*“(2) operate and maintain a permanent living memorial museum to the victims of the Holocaust, in cooperation with the Secretary of the Interior and other Federal agencies as provided in section 2306 of this title; and*

*“(3) carry out the recommendations of the President’s Commission on the Holocaust in its report to the President of September 27, 1979, to the extent such recommendations are not otherwise provided for in this chapter.*

**“SEC. 2302. FUNCTIONS OF THE COUNCIL; MEMBERSHIP.**

*“(a) IN GENERAL.—The United States Holocaust Memorial Council (hereinafter in this chapter referred to as the ‘Council’) shall be the board of trustees of the Museum and shall have overall governance responsibility for the Museum, including policy guidance and strategic direction, general oversight of Museum operations, and fiduciary responsibility. The Council shall establish an Executive Committee which shall exercise ongoing governance responsibility when the Council is not in session.*

*“(b) COMPOSITION OF COUNCIL; APPOINTMENT; VACANCIES.—The Council shall consist of 65 voting members appointed (except as otherwise provided in this section) by the President and the following ex officio nonvoting members:*

*“(1) 1 appointed by the Secretary of the Interior.*

*“(2) 1 appointed by the Secretary of State.*

*“(3) 1 appointed by the Secretary of Education.*

*Of the 65 voting members, 5 shall be appointed by the Speaker of the United States House of Representatives from among Members of the United States House of Representatives and 5 shall be appointed by the President pro tempore of the United States Senate upon the recommendation of the majority and minority leaders from among Members of the United States Senate. Any vacancy in the Council shall be filled in the same manner as the original appointment was made.*

*“(c) TERM OF OFFICE.—*

*“(1) Except as otherwise provided in this subsection, Council members shall serve for 5-year terms.*

*“(2) The terms of the 5 Members of the United States House of Representatives and the 5 Members of the United States Senate appointed during any term of Congress shall expire at the end of such term of Congress.*

*“(3) Any member appointed to fill a vacancy occurring before the expiration of the term for*

*which his predecessor was appointed shall be appointed only for the remainder of such term. A member, other than a Member of Congress appointed by the Speaker of the United States House of Representatives or the President pro tempore of the United States Senate, may serve after the expiration of his term until his successor has taken office.*

*“(d) CHAIRPERSON AND VICE CHAIRPERSON; TERM OF OFFICE.—The Chairperson and Vice Chairperson of the Council shall be appointed by the President from among the members of the Council and such Chairperson and Vice Chairperson shall each serve for terms of 5 years.*

*“(e) REAPPOINTMENT.—Members whose terms expire may be reappointed, and the Chairperson and Vice Chairperson may be reappointed to those offices.*

*“(f) BYLAWS.—The Council shall adopt bylaws to carry out its functions under this chapter. The Chairperson may waive a bylaw when the Chairperson decides that waiver is in the best interest of the Council. Immediately after waiving a bylaw, the Chairperson shall send written notice of the waiver to every voting member of the Council. The waiver becomes final 30 days after the notice is sent unless a majority of Council members disagree in writing before the end of the 30-day period.*

*“(g) QUORUM.—One-third of the members of the Council shall constitute a quorum, and any vacancy in the Council shall not affect its powers to function.*

*“(h) ASSOCIATED COMMITTEES.—Subject to appointment by the Chairperson, an individual who is not a member of the Council may be designated as a member of a committee associated with the Council. Such an individual shall serve without cost to the Federal Government.*

**“SEC. 2303. COMPENSATION; TRAVEL EXPENSES; FULL-TIME OFFICERS OR EMPLOYEES OF UNITED STATES OR MEMBERS OF CONGRESS.**

*“(a) IN GENERAL.—Except as provided in subsection (b) of this section, members of the Council are each authorized to be paid the daily equivalent of the annual rate of basic pay in effect for positions at level IV of the Executive Schedule under section 5315 of title 5, for each day (including travel time) during which they are engaged in the actual performance of duties of the Council. While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5.*

*“(b) EXCEPTION.—Members of the Council who are full-time officers or employees of the United States or Members of Congress shall receive no additional pay by reason of their service on the Council.*

**“SEC. 2304. ADMINISTRATIVE PROVISIONS.**

*“(a) EXPERTS AND CONSULTANTS.—The Museum may obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, at rates not to exceed the daily equivalent of the annual rate of basic pay in effect for positions at level IV of the Executive Schedule under section 5315 of title 5.*

*“(b) AUTHORITY TO CONTRACT.—The Museum may, in accordance with applicable law, enter into contracts and other arrangements with public agencies and with private organizations and persons and may make such payments as may be necessary to carry out its functions under this chapter.*

*“(c) ASSISTANCE FROM OTHER FEDERAL DEPARTMENTS AND AGENCIES.—The Secretary of the Smithsonian Institution, the Library of Congress, and the heads of all executive branch departments, agencies, and establishments of the United States may assist the Museum in the performance of its functions under this chapter.*

“(d) ADMINISTRATIVE SERVICES AND SUPPORT.—The Secretary of the Interior may provide administrative services and support to the Museum on a reimbursable basis.

“SEC. 2305. STAFF.

“(a) ESTABLISHMENT OF THE MUSEUM DIRECTOR AS CHIEF EXECUTIVE OFFICER.—There shall be a director of the Museum (hereinafter in this chapter referred to as the ‘Director’) who shall serve as chief executive officer of the Museum and exercise day-to-day authority for the Museum. The Director shall be appointed by the Chairperson of the Council, subject to confirmation of the Council. The Director may be paid with nonappropriated funds, and, if paid with appropriated funds shall be paid the rate of basic pay for positions at level IV of the Executive Schedule under section 5315 of title 5. The Director shall report to the Council and its Executive Committee through the Chairperson. The Director shall serve at the pleasure of the Council.

“(b) APPOINTMENT OF EMPLOYEES.—The Director shall have authority to—

“(1) appoint employees in the competitive service subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, relating to classification and general schedule pay rates;

“(2) appoint and fix the compensation (at a rate not to exceed the rate of basic pay in effect for positions at level IV of the Executive Schedule under section 5315 of title 5) of up to 3 employees notwithstanding any other provision of law; and

“(3) implement the decisions and strategic plan for the Museum, as approved by the Council, and perform such other functions as may be assigned from time to time by the Council, the Executive Committee of the Council, or the Chairperson of the Council, consistent with this legislation.

“SEC. 2306. INSURANCE FOR MUSEUM.

“The Museum shall maintain insurance on the memorial museum to cover such risks, in such amount, and containing such terms and conditions as the Museum deems necessary.

“SEC. 2307. GIFTS, BEQUESTS, AND DEVICES OF PROPERTY; TAX TREATMENT.

“The Museum may solicit, and the Museum may accept, hold, administer, invest, and use gifts, bequests, and devises of property, both real and personal, and all revenues received or generated by the Museum to aid or facilitate the operation and maintenance of the memorial museum. Property may be accepted pursuant to this section, and the property and the proceeds thereof used as nearly as possible in accordance with the terms of the gift, bequest, or devise donating such property. Funds donated to and accepted by the Museum pursuant to this section or otherwise received or generated by the Museum are not to be regarded as appropriated funds and are not subject to any requirements or restrictions applicable to appropriated funds. For the purposes of Federal income, estate, and gift taxes, property accepted under this section shall be considered as a gift, bequest, or devise to the United States.

“SEC. 2308. ANNUAL REPORT.

“The Director shall transmit to Congress an annual report on the Director’s stewardship of the authority to operate and maintain the memorial museum. Such report shall include the following:

“(1) An accounting of all financial transactions involving donated funds.

“(2) A description of the extent to which the objectives of this chapter are being met.

“(3) An examination of future major endeavors, initiatives, programs, or activities that the Museum proposes to undertake to better fulfill the objectives of this chapter.

“(4) An examination of the Federal role in the funding of the Museum and its activities, and any changes that may be warranted.

“SEC. 2309. AUDIT OF FINANCIAL TRANSACTIONS.

“Financial transactions of the Museum, including those involving donated funds, shall be audited by the Comptroller General as requested by Congress, in accordance with generally accepted auditing standards. In conducting any audit pursuant to this section, appropriate representatives of the Comptroller General shall have access to all books, accounts, financial records, reports, files and other papers, items or property in use by the Museum, as necessary to facilitate such audit, and such representatives shall be afforded full facilities for verifying transactions with the balances.

“SEC. 2310. AUTHORIZATION OF APPROPRIATIONS.

“To carry out the purposes of this chapter, there are authorized to be appropriated such sums as may be necessary. Notwithstanding any other provision of law, none of the funds authorized to carry out this chapter may be made available for construction. Authority to enter into contracts and to make payments under this chapter, using funds authorized to be appropriated under this chapter, shall be effective only to the extent, and in such amounts, as provided in advance in appropriations Acts.”

The CHAIRMAN. During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

Are there any amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the committee rose; and the Speaker pro tempore (Mr. REGULA) having assumed the chair, Mr. LATOURETTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4115) to authorize appropriations for the United States Holocaust Memorial Museum, and for other purposes, pursuant to House Resolution 570, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GEORGE MILLER of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 415, nays 1, not voting 18, as follows:

[Roll No. 454]  
YEAS—415

Abercrombie	Crane	Hill (MT)
Ackerman	Crowley	Hilleary
Aderholt	Cummings	Hilliard
Allen	Cunningham	Hinchee
Archer	Danner	Hinojosa
Armey	Davis (FL)	Hobson
Baca	Davis (IL)	Hoefel
Bachus	Davis (VA)	Hoekstra
Baird	Deal	Holden
Baker	DeFazio	Holt
Baldacci	DeGette	Hooley
Baldwin	Delahunt	Horn
Ballenger	DeLauro	Hostettler
Barcia	DeLay	Houghton
Barr	DeMint	Hoyer
Barrett (NE)	Deutsch	Hulshof
Barrett (WI)	Diaz-Balart	Hunter
Bartlett	Dickey	Hutchinson
Bass	Dicks	Hyde
Bateman	Dingell	Inslee
Becerra	Dixon	Isakson
Bentsen	Doggett	Istook
Bereuter	Dooley	Jackson (IL)
Berkley	Doolittle	Jackson-Lee
Berman	Doyle	(TX)
Berry	Dreier	Jenkins
Biggert	Duncan	John
Bilbray	Dunn	Johnson (CT)
Bilirakis	Edwards	Johnson, E. B.
Bishop	Ehlers	Johnson, Sam
Blagojevich	Ehrlich	Jones (NC)
Bliley	Emerson	Kanjorski
Blumenauer	English	Kasich
Blunt	Eshoo	Kelly
Boehlert	Etheridge	Kennedy
Boehner	Evans	Kildee
Bonilla	Ewing	Kilpatrick
Bonior	Farr	Kind (WI)
Bono	Fattah	King (NY)
Borski	Filner	Kingston
Boswell	Fletcher	Klecza
Boucher	Foley	Knollenberg
Boyd	Forbes	Kolbe
Brady (PA)	Ford	Kucinich
Brady (TX)	Fossella	Kuykendall
Brown (FL)	Fowler	LaFalce
Brown (OH)	Frank (MA)	LaHood
Bryant	Franks (NJ)	Lampson
Burr	Frelinghuysen	Lantos
Burton	Frost	Largent
Buyer	Gallegly	Larson
Callahan	Ganske	Latham
Calvert	Gejdenson	LaTourette
Camp	Gekas	Leach
Campbell	Gephardt	Lee
Canady	Gibbons	Levin
Cannon	Gilchrest	Lewis (CA)
Capps	Gillmor	Lewis (GA)
Capuano	Gilman	Lewis (KY)
Cardin	Gonzalez	Linder
Carson	Goode	Lipinski
Castle	Goodlatte	LoBiondo
Chabot	Goodling	Lofgren
Chambliss	Gordon	Lowe
Chenoweth-Hage	Goss	Lucas (KY)
Clay	Graham	Lucas (OK)
Clayton	Granger	Luther
Clement	Green (TX)	Maloney (CT)
Clyburn	Green (WI)	Maloney (NY)
Coble	Greenwood	Manzullo
Coburn	Gutierrez	Markey
Collins	Gutknecht	Martinez
Combust	Hall (OH)	Mascara
Condit	Hall (TX)	Matsui
Conyers	Hansen	McCarthy (MO)
Cook	Hastings (FL)	McCarthy (NY)
Cooksey	Hastings (WA)	McCreery
Costello	Hayes	McDermott
Cox	Hayworth	McGovern
Coyne	Hefley	McHugh
Cramer	Hill (IN)	McInnis

McIntyre	Pryce (OH)	Spratt
McKeon	Quinn	Stabenow
McKinney	Radanovich	Stark
McNulty	Rahall	Stearns
Meehan	Ramstad	Stenholm
Meek (FL)	Regula	Strickland
Meeks (NY)	Reyes	Stump
Menendez	Reynolds	Stupak
Metcalf	Riley	Sununu
Mica	Rivers	Sweeney
Millender-	Rodriguez	Talent
McDonald	Roemer	Tancredo
Miller (FL)	Rogan	Tanner
Miller, Gary	Rogers	Tauscher
Miller, George	Rohrabacher	Tauzin
Minge	Ros-Lehtinen	Taylor (MS)
Mink	Rothman	Taylor (NC)
Moakley	Roukema	Terry
Mollohan	Roybal-Allard	Thomas
Moore	Royce	Thompson (CA)
Moran (KS)	Rush	Thompson (MS)
Moran (VA)	Ryan (WI)	Thornberry
Morella	Ryan (KS)	Thune
Murtha	Sabo	Thurman
Myrick	Salmon	Tiahrt
Nadler	Sanchez	Tierney
Napolitano	Sanders	Toomey
Neal	Sandlin	Trafficant
Nethercutt	Sanford	Turner
Ney	Sawyer	Udall (CO)
Northup	Saxton	Udall (NM)
Norwood	Scarborough	Upton
Nussle	Schaffer	Velazquez
Oberstar	Schakowsky	Visclosky
Obey	Scott	Vitter
Olver	Sensenbrenner	Walden
Ortiz	Serrano	Walsh
Ose	Sessions	Wamp
Oxley	Shadegg	Waters
Packard	Shaw	Watkins
Pallone	Shays	Watt (NC)
Pascarell	Sherman	Watts (OK)
Pastor	Sherwood	Waxman
Payne	Shimkus	Weiner
Pease	Shows	Weldon (FL)
Pelosi	Shuster	Weldon (PA)
Peterson (MN)	Simpson	Weller
Peterson (PA)	Sisisky	Wexler
Petri	Skeen	Weygand
Phelps	Skelton	Whitfield
Pickering	Slaughter	Wicker
Pickett	Smith (MI)	Wilson
Pitts	Smith (NJ)	Wise
Pombo	Smith (TX)	Wolf
Pomeroy	Smith (WA)	Woolsey
Porter	Snyder	Wu
Portman	Souder	Wynn
Price (NC)	Spence	Young (FL)

NAYS—1

Paul

NOT VOTING—18

Andrews	Jefferson	McIntosh
Barton	Jones (OH)	Owens
Cubin	Kaptur	Rangel
Engel	Klink	Towns
Everett	Lazio	Vento
Herger	McCullum	Young (AK)

□ 1129

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1130

PROVIDING FOR CONSIDERATION OF H.R. 4678, CHILD SUPPORT DISTRIBUTION ACT OF 2000

Ms. PRYCE of Ohio. Mr. Speaker, by the direction of the Committee on Rules, I call up House Resolution 566 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 566

*Resolved*, That upon the adoption of this resolution it shall be in order without inter-

vention of any point of order to consider in the House the bill (H.R. 4678) to provide more child support money to families leaving welfare, to simplify the rules governing the assignment and distribution of child support collected by States on behalf of children, to improve the collection of child support, to promote marriage, and for other purposes. The bill shall be considered as read for amendment. The amendment recommended by the Committee on Ways and Means now printed in the bill, modified by the amendment printed in part A of the report of the Committee on Rules accompanying this resolution, shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; (2) the further amendment printed in part B of the report of the Committee on Rules, if offered by Representative Scott of Virginia or his designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for 10 minutes equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE of Ohio. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST); pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 566 is a modified closed rule providing for consideration of the Child Support Distribution Act of 2000. The rule provides for one hour of general debate equally divided and controlled by the chairman and the ranking minority member of the Committee on Ways and Means.

The rule waives all points of order against consideration of the bill.

The rule also provides that the Committee on Ways and Means substitute, as modified by the amendment printed in Part A of the Committee on Rules report, shall be an original bill for the purpose of further amendment.

The amendment in Part A addresses the concerns expressed by several of our Members by giving States the option of paying child support that is currently retained by the State and Federal Government to mothers on welfare. This will give States the option of making payments on the obligations that accrued before 1997 to the families as opposed to the government keeping the money.

The amendment also lists several specific activities that fatherhood projects may include to promote and sustain marriage.

The rule also provides for consideration of the amendment printed in Part B of the Committee on Rules report if offered by the gentleman from Virginia (Mr. SCOTT) or his designee,

which shall be considered as read and shall be debatable for 10 minutes. All points of order against the Scott amendment are waived.

Finally, Mr. Speaker, the rule provides another chance to amend the bill through one motion to recommit with or without instructions.

Mr. Speaker, since Congress enacted the historic welfare reform in 1996, 6 million families have moved off the welfare rolls and into jobs that provide the satisfaction of self-sufficiency and personal responsibility. Today we have the lowest number of families on welfare since 1970.

While we celebrate this success, we understand that that transition from welfare to work is not necessarily easy. Many of these families rely on a single parent to hold things together and provide for all of their needs. For those of us who have raised children with the help and support of a spouse, it is hard to fathom the energy, patience, and stamina required to take on such a task alone. Every bit of help makes a difference to these struggling families.

The least the government can do is help these parents collect all of the child support that is rightfully theirs.

The Child Support Distribution Act would ensure that, when a family is off welfare, all rights to child support, including payments on past due support, would be assigned to that family. This would require States to hold off on collecting any past due child support that it has a right to until the family is completely repaid. In addition, when a family is on welfare, States will have the option of sharing collections with the family.

The goal is to facilitate a relationship between the mother who is often the recipient of this support and the father who is often paying it, before the mother leaves welfare and does not have the State intervening in her behalf.

Of course the right to child support means little to a family if child support orders are not enforced. That is why this legislation seeks to improve enforcement by requiring the Department of Health and Human Services to provide guidelines for child support enforcement and issue a report on private companies involved in child support collection. Based on this information, Health and Human Services will set up 13 State demonstration programs designed to improve enforcement.

In addition, this bill cracks down on deadbeat parents by denying passports to individuals responsible for past due support and expanding the tax refund intercept program so that it can be used to collect past due support.

Mr. Speaker, while we seek to assist these families by making sure they get the money they are owed, we should also focus on the circumstances that have led to their dependency on government and the other social challenges that they face. There is no doubt that this is more difficult for

single parent families to achieve financial security than for two-parent households.

In addition, kids who have only one parent to rely on have a harder time in school, a lower rate of graduation, a greater propensity towards crime, an increased likelihood of becoming a single parent themselves, and a higher chance of ending up on welfare.

That is why the Child Support Distribution Act includes a fatherhood grant program that seeks to build stronger families by promoting marriage, encouraging the payment of child support, and boosting fathers' income so that they can do a better job as providers for their children.

The bill encourages local efforts to help fathers by requiring that 75 percent of the funding be given to non-governmental community-based organizations including faith-based institutions. In addition, a national clearinghouse of information about fatherhood programs and a multi-city fatherhood demonstration project would be established.

The fact is that we are not sure what the best way is to get fathers back into the picture and engaged in their children's upbringing. But we think some community-based organizations might have some good ideas that would meet the unique needs of the fathers in their own cities and towns. This fatherhood program is designed to try to tap into these communities, try some new things, and then scientifically evaluate the results so that good programs can be duplicated.

Mr. Speaker, all said, this legislation takes a number of important steps forward in our Nation's efforts to redefine welfare and make it work for families.

I want to thank and congratulate the gentlewoman from Connecticut (Mrs. JOHNSON) who authored this important legislation. I hope all of my colleagues will support the rule and our Nation's neediest families by voting for the Child Support Distribution Act. I urge a yes vote on the rule and the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a modified closed rule providing for the consideration of H.R. 4678, the Child Support Distribution Act of 2000. This rule makes in order one amendment to be offered by the gentleman from Virginia (Mr. SCOTT) and provides that a further amendment, which has been developed by both the majority and the minority of the Committee on Ways and Means, shall be considered as adopted upon passage of the rule.

While the Democratic members of the Committee on Rules normally do not support rules which limit the amendments which may be offered to legislation, in this instance, we will not object to the rule reported by the majority.

Mr. Speaker, H.R. 4678 is an important proposal developed on a bipartisan

basis by the gentlewoman from Connecticut (Mrs. JOHNSON) and the gentleman from Maryland (Mr. CARDIN). This bill makes important changes in the distribution of child support payments collected by the States on behalf of current and former welfare recipients.

This change would allow families to keep all arrears collected by the State that accrued before and after a family went on welfare rather than the 50 percent allowed by current law.

The bill also establishes a fatherhood grant program that would fund public and private fatherhood programs that seek to promote marriage, successful parenting, and better jobs for poor fathers.

The rule makes in order an amendment that will be offered by the gentleman from Virginia (Mr. SCOTT) which has been included in previous legislation to make clear that any eligible entity cannot subject a participant to sectarian worship, instruction, or proselytization, clarifies that eligible recipients of these funds are in receipt of Federal financial assistance, and, finally, closes the loophole in welfare reform that allows discrimination against beneficiaries when another standing law permits it.

Mr. Speaker, this is worthy legislation that deserves consideration by the House, and I urge my colleagues to adopt this rule so that we may proceed to the debate on H.R. 4678.

Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from Illinois (Mr. HYDE), the distinguished chairman of the Committee on the Judiciary.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Speaker, I am a strong supporter of this excellent bipartisan legislation, H.R. 4678. I want to commend the gentleman from Maryland (Mr. CARDIN), the ranking member, for his work on this important issue. I want to especially congratulate the gentlewoman from Connecticut (Mrs. JOHNSON) who has been a relentless and effective fighter for child support issues.

I am very proud to be a small part of this excellent legislation and which proves that legislation of substance can be bipartisan.

I rise today in strong support of H.R. 4678, the Child Support Distribution Act of 2000 and in support of the work of Chairwoman JOHNSON in assuring that our children receive the child support that they deserve.

Too many defenseless children are victimized by parents who do not support their children. Think of it: our most important resource—our nation's children—are often left without food or the basic necessities they need due to their parents' refusal to support them. These children, hungry and without money for support, are then forced to turn to the government for assistance when they are abandoned by their non-custodial parents.

There are two types of child support payments: current support and past due support, or arrearages. H.R. 4678 primarily deals with arrearages and the question of who keeps the collections: the family or the government. Previously, when a family left welfare, the government was able to retain all payments on past due support. The 1996 welfare reform law required the government to split the arrearages with the family. Due to the overwhelming number of families who have since left welfare to work, this legislation now will require that the other half be paid to the families. This way, the maximum amount of child support payments will be going directly to a family for their support. If a family is still on welfare, a state has the option to share collections with the family.

However, while H.R. 4678 provides for simplified rules for the review, collection and enforcement of support orders, I wish that we could have gone further. I believe that the duty of paying child support to one's child is as important as the duty to one's country to pay taxes. I introduced legislation this Congress, H.R. 1488, that would require the IRS to collect child support in the same manner that taxes are collected. The child support collected would then be disbursed to the custodial parent with penalties and interest if appropriate. This approach is not possible at this time. H.R. 4678 is a good step in the right direction. It improves our current system of enforcement and distribution to those who need it the most, while promoting financial and personal responsibility. This ultimately curbs welfare dependency.

This vote is a vote for our children. Every child deserves to be supported, and this is Congress' chance to pass a law that will be for the kids' sake.

I'd like to congratulate Chairwoman JOHNSON and Ranking Member CARDIN for their leadership and dedication to this issue, and I urge my colleagues to support this important legislation.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Speaker, I thank the gentleman from Texas for yielding me this time. I would like to thank the Committee on Rules for making one of my two amendments in order. The first amendment that was made in order allows us to consider the question of proselytization, Federal assistance, and discrimination against beneficiaries in one of the provisions of the bill.

The bill, as it is written, allows Federal funds to be used to essentially subject the program participants to proselytization. That is wrong, and that is why the amendment should be in order, and it is in order. It also provides that the receipt of Federal funds will bring with it the civil rights attachments. The bill as it now stands is silent on that. It also prohibits on any circumstance discrimination against beneficiaries based on religion.

All of those amendments should be adopted. One amendment that I had offered that was not found in order would prohibit the discrimination based on religion by the program. We have a situation where the programs now may

discriminate based on religion against perspective employees.

I would like to read, Mr. Speaker, a part of a letter from the Religious Action Center of Reform Judaism, which says that "charitable choice language will permit religious institutions that receive government funds to discriminate in their employment on the basis of religion. This amounts to federally funded employment discrimination and allows religious organizations to exclude people of different faith from government funded programs."

Mr. Speaker, that is obviously wrong, and we ought to be able to address that. We will be addressing it in the motion to recommit. Because all of these issues will be allowed under the rule as presented, I will not oppose the rule.

Ms. PRYCE of Ohio. Mr. Speaker, I have no further speakers, and I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. NADLER).

□ 1145

Mr. NADLER. Mr. Speaker, this is a very good bill to improve child support collections and to assert the priority of giving child support collections to the custodial parent, the mother usually, rather than to the States, as at present. That is a very good thing to do, and I applaud the sponsors of the bill.

I do think there is one defect in the bill, which could be very much improved by the amendment to be offered by the gentleman from Virginia (Mr. SCOTT), and I rise in support of that amendment.

No one opposes the participation of religious institutions in this or any other program. In fact, currently, many religious organizations, including Catholic Charities, Protestant Welfare Services, and so forth, play a vital role in the delivery of these services. The problem is not their participation; the problem is allowing a taxpayer-funded program to be restricted, as the language in this bill would currently do; allowing a taxpayer-funded program to be restricted to members of only a particular religion or forcing an unwilling participant to participate in a religious activity or to be subject to proselytization in order to receive taxpayer-funded services. As presently drafted, this bill would allow that, and that is a real defect.

We should respect the religious beliefs of every American. That is what religious liberty is all about. We should never ask anyone to lay aside his or her beliefs in order to receive taxpayer-funded services. The Government has no business subsidizing religious intolerance or discrimination in any form.

So when it comes up for consideration, I urge my colleagues to support the Scott amendment, which would simply clarify that none of the funds in these programs be used in a way which would discriminate against any Amer-

ican on the basis of religion. It would harmonize this bill with the spirit of the first amendment and with the spirit of our civil rights laws and would make this bill, if not a perfect bill, then as close to a perfect bill as we are likely to see.

So I urge my colleagues to support the Scott amendment and then to vote for the bill.

Mr. FROST. Mr. Speaker, I urge adoption of the rule, and I yield back the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume to once again tell my colleagues that this is a fair rule that allows the House to debate important legislation to continue the success of welfare reform.

The rule should not be controversial, as it accommodates many of our colleagues who had concerns about the legislation by incorporating their ideas into either the part A amendment adopted under this resolution or through consideration of the part B amendment to be offered by the gentleman from Virginia (Mr. SCOTT).

In addition, I would remind my colleagues that the House has already worked its will in a large portion of this bill. H.R. 4678 includes the Fathers Court Act, which the House overwhelmingly passed in November by a bipartisan vote of 328 to 93.

Mr. Speaker, this legislation strengthens family by giving more single parents and children the financial assistance they are owed and by encouraging fathers to be responsible parents and play a greater role in their children's lives. Through this legislation we are increasing the odds for families who are struggling every day to make ends meet and we are helping impoverished children have a better chance of success in school and society by encouraging both parents to become involved in their upbringing.

I hope that my colleagues will support this attempt to provide more families with the pride of financial self-sufficiency, security, and dignity and vote for the children who need the strength of both parents to help them make better lives for themselves. I urge a "yes" vote on the rule and the bill.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MAKING IN ORDER AMENDMENT  
IN LIEU OF PART A AMENDMENT  
PRINTED IN HOUSE REPORT 106-  
798 TO H.R. 4678, CHILD SUPPORT  
DISTRIBUTION ACT OF 2000

Ms. PRYCE of Ohio. Mr. Speaker, I ask unanimous consent that during consideration of H.R. 4678, pursuant to House Resolution 566, the amendment recommended by the Committee on Ways and Means now printed in the bill

be modified by the amendment that the gentlewoman from Connecticut (Mrs. JOHNSON) has placed at the desk in lieu of the amendment printed in part A of House Report 106-798; and that the amendment she has placed at the desk be considered as read.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentlewoman from Ohio (Ms. PRYCE)?

There was no objection.

The text of the amendment is as follows:

Page 7, line 25, strike the close quotation marks and the following period.

Page 7, after line 25, insert the following:

"(7) STATE OPTION TO PASS THROUGH ADDITIONAL SUPPORT WITH FEDERAL FINANCIAL PARTICIPATION.—

"(A) IN GENERAL.—Notwithstanding paragraphs (1) and (2), a State shall not be required to pay to the Federal Government the Federal share of an amount collected on behalf of a family that is not a recipient of assistance under the State program funded under part A, to the extent that the State pays the amount to the family.

"(B) RECIPIENTS OF TANF FOR LESS THAN 5 YEARS.—

"(i) IN GENERAL.—Notwithstanding paragraphs (1) and (2), a State shall not be required to pay to the Federal Government the Federal share of an amount collected on behalf of a family that is a recipient of assistance under the State program funded under part A and that has received the assistance for not more than 5 years after the date of the enactment of this paragraph, to the extent that—

"(I) the State pays the amount to the family; and

"(II) subject to clause (ii), the amount is disregarded in determining the amount and type of the assistance provided to the family.

"(ii) LIMITATION.—Of the amount disregarded as described in clause (i)(II), the maximum amount that may be taken into account for purposes of clause (i) shall not exceed \$400 per month, except that, in the case of a family that includes 2 or more children, the State may elect to increase the maximum amount to not more than \$600 per month."

Page 9, after line 9, insert the following:

(d) STATE OPTION TO DISCONTINUE CERTAIN SUPPORT ASSIGNMENTS.—Section 457(b) of such Act (42 U.S.C. 657(b)) is amended by striking "shall" and inserting "may".

Page 9, line 10, strike "(d)" and insert "(e)".

Page 9, line 22, strike "section 457(a)(2)(B)(i)" and insert "clause (i) or (ii) of section 457(a)(2)(B)".

Page 10, line 1, strike "(e)" and insert "(f)".

Page 10, beginning on line 9, strike "section 457(a)(2)(B)(i)" and insert "clause (i) or (ii) of section 457(a)(2)(B)".

Page 13, line 16, strike "The" and insert "Not later than October 1, 2001, the".

Page 15, strike lines 20 through 24 and insert the following:

States that had a public non-IV-D child support enforcement agency as of January 1, 2000.

Page 19, line 13, strike "related to information-sharing".

Page 25, strike lines 13 through 18 and insert the following:

"(1) promote marriage through such activities as—

"(A) counseling, mentoring, disseminating information about the advantages of marriage, enhancing relationship skills, teaching how to control aggressive behavior, disseminating information on the causes and

treatment of domestic violence and child abuse, and other methods; and

“(B) sustaining marriages through marriage preparation programs, premarital counseling, and marital inventories, and through divorce education and reduction programs, including mediation and counseling;

Page 25, line 19, insert “such activities as” after “through”.

Page 25, line 21, strike the comma.

Page 26, line 4, insert “such activities as” after “viding”.

Page 27, line 5, strike “or”.

Page 27, line 7, strike the period and insert “; or”.

Page 27, after line 7, insert the following:

“(iv) at risk of parenthood outside marriage, but not more than 25 percent of the participants in the project may qualify for participation under this clause.

Page 28, strike lines 4 and 5 and insert the following:

stances, and information about sexually transmitted diseases and their transmission, including HIV/AIDS and human papillomavirus (HPV).

Page 33, after line 6, insert the following:

“(i) to the extent that the application submitted by the entity sets forth clear and practical methods to encourage and sustain marriage;

Page 33, line 7, strike “(i)” and insert “(ii)”.

Page 33, line 23, strike “schedule or” and insert “schedule.”.

Page 33, line 24, strike “(unless” and insert “, or marrying the mother of his children, unless”.

Page 34, line 2, strike the close parenthesis.

Page 34, line 12, strike “(ii)” and insert “(iii)”.

Page 35, line 1, strike “(iii)” and insert “(iv)”.

Page 35, line 6, strike “(iv)” and insert “(v)”.

Page 46, line 27, strike the period and insert “; and”.

Page 46, after line 27, insert the following:

“(E) develop and distribute materials that are for use by entities described in subparagraphs (A) and (B) and that provide information on domestic violence and child abuse prevention and treatment.

#### CHILD SUPPORT DISTRIBUTION ACT OF 2000

Mrs. JOHNSON of Connecticut. Mr. Speaker, pursuant to House Resolution 566, I call up the bill (H.R. 4678) to provide more child support money to families leaving welfare, to simplify the rules governing the assignment and the distribution of child support collected by States on behalf of children, to improve the collection of child support, to promote marriage, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 566, the bill is considered read for amendment.

The text of H.R. 4678 is as follows:

H.R. 4678

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Child Support Distribution Act of 2000”.

#### SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

#### TITLE I—DISTRIBUTION OF CHILD SUPPORT

Sec. 101. Distribution of child support collected by States on behalf of children receiving certain welfare benefits.

#### TITLE II—REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS

Sec. 201. Mandatory review and modification of child support orders for TANF recipients.

#### TITLE III—EXPANDED INFORMATION AND ENFORCEMENT

Sec. 301. Guidelines for involvement of public non-IV-D and private agencies in child support enforcement.

Subtitle A—State Option to Provide Information and Enforcement Mechanisms to Public Non-IV-D Child Support Enforcement Agencies

Sec. 311. Establishment and enforcement of child support obligations by public non-IV-D child support enforcement agencies.

Sec. 312. Use of certain enforcement mechanisms.

Sec. 313. Effective date.

Subtitle B—State Option to Provide Information and Enforcement Mechanisms to Private Child Support Enforcement Agencies

Sec. 321. Establishment and enforcement of child support obligations by private child support enforcement agencies.

Sec. 322. Use of certain enforcement mechanisms.

Sec. 323. Effective date.

#### TITLE IV—EXPANDED ENFORCEMENT

Sec. 401. Decrease in amount of child support arrearage triggering passport denial.

Sec. 402. Use of tax refund intercept program to collect past-due child support on behalf of children who are not minors.

#### TITLE V—FATHERHOOD PROGRAMS

Subtitle A—Fatherhood Grant Program

Sec. 501. Fatherhood grants.

Subtitle B—Fatherhood Projects of National Significance

Sec. 511. Fatherhood projects of national significance.

#### TITLE VI—MISCELLANEOUS

Sec. 601. Change dates for abstinence evaluation.

Sec. 602. Report on undistributed child support payments.

Sec. 603. Use of new hire information to assist in administration of unemployment compensation programs.

Sec. 604. Immigration provisions.

Sec. 605. Correction of errors in conforming amendments in the Welfare-To-Work and Child Support Amendments of 1999.

Sec. 606. Elimination of set-aside of welfare-to-work funds for successful performance bonus.

#### TITLE VII—EFFECTIVE DATE

Sec. 701. Effective date.

#### TITLE I—DISTRIBUTION OF CHILD SUPPORT

SEC. 101. DISTRIBUTION OF CHILD SUPPORT COLLECTED BY STATES ON BEHALF OF CHILDREN RECEIVING CERTAIN WELFARE BENEFITS.

(a) MODIFICATION OF RULE REQUIRING ASSIGNMENT OF SUPPORT RIGHTS AS A CONDITION

OF RECEIVING TANF.—Section 408(a)(3) of the Social Security Act (42 U.S.C. 608(a)(3)) is amended to read as follows:

“(3) NO ASSISTANCE FOR FAMILIES NOT ASSIGNING CERTAIN SUPPORT RIGHTS TO THE STATE.—A State to which a grant is made under section 403 shall require, as a condition of providing assistance to a family under the State program funded under this part, that a member of the family assign to the State any rights the family member may have or acquire (on behalf of the family member or of any other person for whom the family member has applied for or is receiving such assistance) to support from any other person for any period for which the family receives assistance under the program, in an amount equal to the lesser of—

“(A) the number of months for which the family receives or has received assistance from the State (within the meaning of section 457) and for which there is in effect a support order on behalf of the family member or such other person, multiplied by the amount of monthly support awarded by the order; or

“(B) the total amount of assistance so provided to the family.”.

(b) INCREASING CHILD SUPPORT PAYMENTS TO FAMILIES AND SIMPLIFYING CHILD SUPPORT DISTRIBUTION RULES.—

(1) DISTRIBUTION RULES.—

(A) IN GENERAL.—Section 457(a) of such Act (42 U.S.C. 657(a)) is amended to read as follows:

“(a) IN GENERAL.—Subject to subsections (d) and (e), the amounts collected on behalf of a family as support by a State pursuant to a plan approved under this part shall be distributed as follows:

“(1) FAMILIES RECEIVING ASSISTANCE.—In the case of a family receiving assistance from the State, the State shall—

“(A) pay to the Federal Government the Federal share of the amount collected, subject to paragraph (3)(A);

“(B) retain, or pay to the family, the State share of the amount collected, subject to paragraph (3)(B); and

“(C) pay to the family any remaining amount.

“(2) FAMILIES THAT FORMERLY RECEIVED ASSISTANCE.—In the case of a family that formerly received assistance from the State:

“(A) CURRENT SUPPORT.—To the extent that the amount collected does not exceed the current support amount, the State shall pay the amount to the family.

“(B) ARREARAGES.—To the extent that the amount collected exceeds the current support amount, the State—

“(i) shall first pay to the family the excess amount, to the extent necessary to satisfy support arrearages not assigned pursuant to section 408(a)(3);

“(ii) if the amount collected exceeds the amount required to be paid to the family under clause (i), shall—

“(I) pay to the Federal Government, the Federal share of the excess amount described in this clause, subject to paragraph (3)(A); and

“(II) retain, or pay to the family, the State share of the excess amount described in this clause, subject to paragraph (3)(B); and

“(iii) shall pay to the family any remaining amount.

“(3) LIMITATIONS.—

(A) FEDERAL REIMBURSEMENTS.—The total of the amounts paid by the State to the Federal Government under paragraphs (1) and (2) of this subsection with respect to a family shall not exceed the Federal share of the amount assigned with respect to the family pursuant to section 408(a)(3).

(B) STATE REIMBURSEMENTS.—The total of the amounts retained by the State under paragraphs (1) and (2) of this subsection with

respect to a family shall not exceed the State share of the amount assigned with respect to the family pursuant to section 408(a)(3).

"(4) FAMILIES THAT NEVER RECEIVED ASSISTANCE.—In the case of any other family, the State shall pay the amount collected to the family."

"(5) FAMILIES UNDER CERTAIN AGREEMENTS.—Notwithstanding paragraphs (1) through (4), in the case of an amount collected for a family in accordance with a cooperative agreement under section 454(33), the State shall distribute the amount collected pursuant to the terms of the agreement."

"(6) STATE FINANCING OPTIONS.—To the extent that the State share of the amount payable to a family for a month pursuant to paragraph (2)(B) of this subsection exceeds the amount that the State estimates (under procedures approved by the Secretary) would have been payable to the family for the month pursuant to former section 457(a)(2) (as in effect for the State immediately before the date this subsection first applies to the State) if such former section had remained in effect, the State may elect to use the grant made to the State under section 403(a) to pay the amount, or to have the payment considered a qualified State expenditure for purposes of section 409(a)(7), but not both. For purposes of section 455, any such payment from the grant made to the State under section 403(a) shall be considered an amount expended for the operation of the plan approved under section 454."

(B) APPROVAL OF ESTIMATION PROCEDURES.—Not later than October 1, 2001, the Secretary of Health and Human Services, in consultation with the States (as defined for purposes of part D of title IV of the Social Security Act), shall establish the procedures to be used to make the estimate described in section 457(a)(6) of such Act.

(2) CURRENT SUPPORT AMOUNT DEFINED.—Section 457(c) of such Act (42 U.S.C. 657(c)) is amended by adding at the end the following:

"(5) CURRENT SUPPORT AMOUNT.—The term 'current support amount' means, with respect to amounts collected as support on behalf of a family, the amount designated as the monthly support obligation of the non-custodial parent in the order requiring the support."

(3) CONVERSION OF PERMANENTLY ASSIGNED CHILD SUPPORT OBLIGATIONS.—Section 457(b) of such Act (42 U.S.C. 657(b)) is amended by inserting "until October 1, 2007 (or such earlier date as the State may select)" before the period.

(c) BAN ON RECOVERY OF MEDICAID COSTS FOR CERTAIN BIRTHS.—Section 454 of such Act (42 U.S.C. 654) is amended—

(1) by striking "and" at the end of paragraph (32);

(2) by striking the period at the end of paragraph (33) and inserting "; and"; and

(3) by inserting after paragraph (33) the following:

"(34) provide that the State shall not use the State program operated under this part to collect any amount owed to the State by reason of costs incurred under the State plan approved under title XIX for the birth of a child for whom support rights have been assigned pursuant to section 408(a)(3), 471(a)(17), or 1912."

(d) CONFORMING AMENDMENTS.—

(1) Section 409(a)(7)(B)(i)(I)(aa) of such Act (42 U.S.C. 609(a)(7)(B)(i)(I)(aa)) is amended by striking "457(a)(1)(B)" and inserting "457(a)(1)(B)(ii)".

(2) Section 404(a) of such Act (42 U.S.C. 604(a)) is amended—

(A) by striking "or" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting "; or"; and

(C) by adding at the end the following:

"(3) to fund payment of an amount pursuant to section 457(a)(2)(B)(i), but only to the extent that the State properly elects under section 457(a)(6) to use the grant to fund the payment."

(3) Section 409(a)(7)(B)(i) of such Act (42 U.S.C. 609(a)(7)(B)(i)) is amended by adding at the end the following:

"(V) PORTIONS OF CERTAIN CHILD SUPPORT PAYMENTS COLLECTED ON BEHALF OF AND DISTRIBUTED TO FAMILIES NO LONGER RECEIVING ASSISTANCE.—Any amount paid by a State pursuant to section 457(a)(2)(B)(i), but only to the extent that the State properly elects under section 457(a)(6) to have the payment considered a qualified State expenditure."

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on October 1, 2005, and shall apply to payments under parts A and D of title IV of the Social Security Act for calendar quarters beginning on or after such date, and without regard to whether regulations to implement such amendments (in the case of State programs operated under such part D) are promulgated by such date.

(2) STATE OPTION TO ACCELERATE EFFECTIVE DATE.—In addition, a State may elect to have the amendments made by this section apply to the State and to amounts collected by the State, on and after such date as the State may select that is after the date of the enactment of this Act and before October 1, 2005.

## TITLE II—REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS

### SEC. 201. MANDATORY REVIEW AND MODIFICATION OF CHILD SUPPORT ORDERS FOR TANF RECIPIENTS.

(a) REVIEW EVERY 3 YEARS.—Section 466(a)(10)(A)(i) of the Social Security Act (42 U.S.C. 666(a)(10)(A)(i)) is amended—

(1) by striking "or," and inserting "or"; and

(2) by striking "upon the request of the State agency under the State plan or of either parent,".

(b) REVIEW UPON LEAVING TANF.—

(1) NOTICE OF CERTAIN FAMILIES LEAVING TANF.—Section 402(a) of such Act (42 U.S.C. 602(a)) is amended by adding at the end the following:

"(8) CERTIFICATION THAT THE CHILD SUPPORT ENFORCEMENT PROGRAM WILL BE PROVIDED NOTICE OF CERTAIN FAMILIES LEAVING TANF PROGRAM.—A certification by the chief executive officer of the State that the State has established procedures to ensure that the State agency administering the child support enforcement program under the State plan approved under part D will be provided notice of the impending discontinuation of assistance to an individual under the State program funded under this part if the individual has custody of a child whose other parent is alive and not living at home with the child."

(2) REVIEW.—Section 466(a)(10) of such Act (42 U.S.C. 666(a)(10)) is amended—

(A) in the paragraph heading, by striking "UPON REQUEST";

(B) in subparagraph (C), by striking "this paragraph" and inserting "subparagraph (A) or (B)"; and

(C) by adding at the end the following:

"(D) REVIEW UPON LEAVING TANF.—On receipt of a notice issued pursuant to section 402(a)(8), the State child support enforcement agency shall—

"(i) examine the case file involved;

"(ii) determine what actions (if any) are needed to locate any noncustodial parent, establish paternity or a support order, or enforce a support order in the case;

"(iii) immediately take the actions; and

"(iv) if there is a support order in the case which the State has not reviewed during the 1-year period ending with receipt of the notice, notwithstanding subparagraph (B), review and, if appropriate, adjust the order in accordance with subparagraph (A)."

## TITLE III—EXPANDED INFORMATION AND ENFORCEMENT

### SEC. 301. GUIDELINES FOR INVOLVEMENT OF PUBLIC NON-IV-D AND PRIVATE AGENCIES IN CHILD SUPPORT ENFORCEMENT.

(a) IN GENERAL.—The Secretary of Health and Human Services, in consultation with States (as defined for purposes of part D of title IV of the Social Security Act), local governments, and individuals or companies knowledgeable about involving entities, other than State agencies operating child support enforcement programs under such part, in child support enforcement, shall develop separate sets of recommendations which address the participation of public non-IV-D child support enforcement agencies (as defined in section 466(h) of such Act) and private child support enforcement agencies (as defined in section 466(i) of such Act) in child support enforcement pursuant to the amendments made by this title. The matters addressed by the recommendations shall include substantive and procedural rules which should be followed with respect to privacy safeguards, data security, due process rights, administrative compatibility with State and Federal automated systems, eligibility requirements (such as registration, licensing, and posting of bonds) for access to information and use of enforcement mechanisms, recovery of costs by charging fees, and penalties for violations of the rules.

(b) ISSUANCE OF REPORT.—Not later than October 1, 2001, the Secretary of Health and Human Services shall issue to the general public a written report containing the separate sets of recommendations required by subsection (a).

(c) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

#### Subtitle A—State Option to Provide Information and Enforcement Mechanisms to Public Non-IV-D Child Support Enforcement Agencies

### SEC. 311. ESTABLISHMENT AND ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS BY PUBLIC NON-IV-D CHILD SUPPORT ENFORCEMENT AGENCIES.

(a) STATE PLAN REQUIREMENTS.—Section 454 of the Social Security Act (42 U.S.C. 654), as amended by section 101(c) of this Act, is amended—

(1) in paragraph (33), by striking "and" at the end;

(2) in paragraph (34), by striking the period and inserting "; and"; and

(3) by inserting after paragraph (34) the following:

"(35) at the option of the State, provide that—

"(A) subject to the privacy safeguards of paragraph (26), the State agency responsible for administering the State plan under this part may provide to a public non-IV-D child support enforcement agency (as defined in section 466(h)) all information in the State Directory of New Hires and any information obtained through information comparisons under section 453(j)(3) about an individual with respect to whom the public agency is seeking to establish or enforce a child support obligation, if the public agency meets such requirements as the State may establish and has entered into an agreement with the State under which the public agency has made a binding commitment to carry out establishment and enforcement activities with

respect to the child support obligation subject to the same data security, privacy protection, and due process requirements applicable to the State agency and in accordance with procedures approved by the head of the State agency;

“(B) the State agency may charge and collect fees from any such public agency to recover costs incurred by the State agency in providing information and services to the public agency pursuant to this part.”.

(b) PUBLIC NON-IV-D CHILD SUPPORT ENFORCEMENT AGENCY DEFINED.—Section 466 of such Act (42 U.S.C. 666) is amended by adding at the end the following:

“(h) PUBLIC NON-IV-D CHILD SUPPORT ENFORCEMENT AGENCY DEFINED.—In this part, the term ‘public non-IV-D child support enforcement agency’ means an agency, of a political subdivision of a State, which is principally responsible for the operation of a child support registry or for the establishment or enforcement of an obligation to pay child support (as defined in section 459(i)(2)) other than pursuant to the State plan approved under this part.”.

**SEC. 312. USE OF CERTAIN ENFORCEMENT MECHANISMS.**

(a) FEDERAL TAX REFUND INTERCEPT.—

(1) ADDITIONAL STATE PLAN REQUIREMENT.—Section 454(35) of the Social Security Act, as added by section 311(a) of this Act, is amended—

(i) by striking the period at the end of subparagraph (B) and inserting “; and”; and

(2) by adding at the end the following:

“(C) the State agency may transmit to the Secretary of the Treasury pursuant to section 464 a notice submitted by a public non-IV-D child support enforcement agency (in such form and manner as the State agency may prescribe) that a named individual owes past-due child support (as defined in section 464(c)) which the public agency has agreed to collect, and may collect from the public agency any fee which the State is required to pay for the cost of applying the offset procedure in the case.”.

(2) CONFORMING AMENDMENTS.—Section 464 of such Act (42 U.S.C. 664) is amended—

(A) in subsection (a)(2)(A)—

(i) in the 1st sentence, by striking “, and that the State agency” and inserting “or which a public non-IV-D child support enforcement agency in the State has agreed to collect, and that the State agency (or the public non-IV-D child support enforcement agency)”;

(ii) in the 2nd sentence, by striking “he” and inserting “the Secretary of the Treasury”;

(B) in subsection (a)(3)(A)—

(i) in the 1st sentence, by inserting “(or, in the case the State is acting on behalf of a public non-IV-D child support enforcement agency, the public non-IV-D child support enforcement agency)” after “the State”; and

(ii) in the 2nd sentence, by inserting “(or, as applicable, the public non-IV-D child support enforcement agency’s)” after “State’s”.

(b) REPORTING ARREARAGES TO CREDIT BUREAUS.—Section 466(a)(7)(A) of such Act (42 U.S.C. 666(a)(7)(A)) is amended by inserting “, and allowing the State to include in the report similar information provided (in such form and manner as the State agency may prescribe) by a public non-IV-D child support enforcement agency” before the period.

(c) PASSPORT SANCTIONS.—Section 454(31) of such Act (42 U.S.C. 654(31)) is amended—

(1) by striking “and” at the end of subparagraph (A);

(2) by adding “and” at the end of subparagraph (B); and

(3) by adding at the end the following:

“(C) the State agency may include in the certification any such determination, notice of which is provided to the State agency (in

such form and manner as the State agency may require) by a public non-IV-D child support enforcement agency.”.

(d) FINANCIAL INSTITUTION DATA MATCHES.—

(1) IN GENERAL.—Section 466(a)(17) of such Act (42 U.S.C. 666(a)(17)) is amended by redesignating subparagraph (D) as subparagraph (E) and inserting after subparagraph (C) the following:

“(D) COORDINATION WITH PUBLIC NON-IV-D CHILD SUPPORT ENFORCEMENT AGENCIES.—The identifying information described in subparagraph (A)(i) which is provided by the State may include any such identifying information that is provided to the State agency by a public non-IV-D child support enforcement agency in such form and manner as the State agency may require.”.

(2) LIABILITY PROTECTIONS.—Section 469A(d) of such Act (42 U.S.C. 669a(d)) is amended by adding at the end the following:

“(3) STATE CHILD SUPPORT ENFORCEMENT AGENCY.—The term ‘State child support enforcement agency’ includes, with respect to a financial record of an individual, a public non-IV-D child support enforcement agency if the public agency is seeking to establish or enforce a child support obligation with respect to the individual pursuant to an agreement described in section 454(35)(A).”.

(e) USE OF INCOME WITHHOLDING FOR UNEMPLOYMENT INSURANCE BENEFITS.—

(1) DISCLOSURE OF WAGE INFORMATION.—Section 303(e)(1) of such Act (42 U.S.C. 503(e)(1)) is amended by striking the second sentence and inserting the following:

“For purposes of this subsection, the term ‘child support obligations’ means obligations to pay child support (as defined in section 459(i)(2) of the Social Security Act).”.

(2) AUTHORITY TO WITHHOLD.—Section 303(e)(2)(A) of such Act (42 U.S.C. 503(e)(2)(A)) is amended—

(A) in clause (i), by inserting “and the identity and location of the State or local child support enforcement agency enforcing the obligations (to the extent known)” before the comma;

(B) in clause (iii)(III), by striking “462(e)” and inserting “459(i)(5)”; and

(C) in the matter following clause (iv), by striking “his” and inserting “the individual’s”.

(3) CONFORMING AMENDMENT.—Section 303(e)(4) of such Act (42 U.S.C. 503(e)(4)) is amended by striking “the last sentence of paragraph (1)” and inserting “section 454 which has been approved by the Secretary of Health and Human Services under part D of title IV or pursuant to an agreement described in section 454(35)(A)”.

**SEC. 313. EFFECTIVE DATE.**

Except as provided in section 701(b), the amendments made by this subtitle shall take effect on October 1, 2002, and shall apply to payments under part D of title IV of the Social Security Act for calendar quarters beginning on or after such date, and without regard to whether regulations to implement such amendments are promulgated by such date.

**Subtitle B—State Option To Provide Information and Enforcement Mechanisms to Private Child Support Enforcement Agencies**

**SEC. 321. ESTABLISHMENT AND ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS BY PRIVATE CHILD SUPPORT ENFORCEMENT AGENCIES.**

(a) STATE PLAN REQUIREMENTS.—Section 454 of the Social Security Act (42 U.S.C. 654), as amended by sections 101(c), 311(a), and 312(a)(1) of this Act, is amended—

(1) in paragraph (34), by striking “and” at the end;

(2) in paragraph (35), by striking the period and inserting “; and”; and

(3) by inserting after paragraph (35) the following:

“(36) at the option of the State, provide that—

“(A) subject to the privacy safeguards of paragraph (26), the State agency responsible for administering the State plan under this part may provide to a private child support enforcement agency (as defined in section 466(i)) any information in the State Directory of New Hires and any information obtained through information comparisons under section 453(j)(3) about an individual with respect to whom the private agency is seeking to establish or enforce a child support obligation, if the private agency meets such requirements as the State may establish and has entered into an agreement with the State under which the private agency has made a binding commitment to carry out establishment and enforcement activities with respect to the child support obligation subject to the same data security, privacy protection, and due process requirements applicable to the State agency and in accordance with procedures approved by the head of the State agency;

“(B) the State agency may charge and collect fees from any such private agency to recover costs incurred by the State agency in providing information and services to the private agency pursuant to this part.”.

(b) PRIVATE CHILD SUPPORT ENFORCEMENT AGENCY DEFINED.—Section 466 of such Act (42 U.S.C. 666), as amended by section 311(b) of this Act, is amended by adding at the end the following:

“(i) PRIVATE CHILD SUPPORT ENFORCEMENT AGENCY DEFINED.—In this part, the term ‘private child support enforcement agency’ means a person or any other non-public entity which seeks to establish or enforce an obligation to pay child support (as defined in section 459(i)(2)).”.

**SEC. 322. USE OF CERTAIN ENFORCEMENT MECHANISMS.**

(a) FEDERAL TAX REFUND INTERCEPT.—

(1) ADDITIONAL STATE PLAN REQUIREMENT.—Section 454(36) of the Social Security Act, as added by section 321(a) of this Act, is amended—

(A) by striking the period at the end of subparagraph (A) and inserting “; and”; and

(B) by adding at the end the following:

“(C) the State agency may transmit to the Secretary of the Treasury pursuant to section 464 any notice submitted by a private child support enforcement agency (in such form and manner as the State agency may prescribe) that a named individual owes past-due child support (as defined in section 464(c)) which the private agency has agreed to collect, and may collect from the private agency any fee which the State is required to pay for the cost of applying the offset procedure in the case.”.

(2) CONFORMING AMENDMENTS.—Section 464(a) of such Act (42 U.S.C. 664(a)), as amended by section 312(a)(2) of this Act, is amended by inserting “(or private)” after “public non-IV-D” each place it appears.

(b) REPORTING ARREARAGES TO CREDIT BUREAUS.—Section 466(a)(7)(A) of such Act (42 U.S.C. 666(a)(7)(A)), as amended by section 312(b) of this Act, is amended by inserting “(or private)” after “public non-IV-D”.

(c) PASSPORT SANCTIONS.—Section 454(31)(C) of such Act (42 U.S.C. 654(31)), as amended by section 312(c) of this Act, is amended by inserting “(or private)” after “public non-IV-D”.

(d) FINANCIAL INSTITUTION DATA MATCHES.—

(1) IN GENERAL.—Section 466(a)(17)(D) of such Act, as added by section 311(d) of this Act, is amended by inserting “(or private)” after “public non-IV-D”.

(2) LIABILITY PROTECTIONS.—Section 469A(d)(3) of such Act, as added by section 312(d)(2) of this Act, is amended—

(A) by inserting “(or private)” after “public non-IV-D”;

(B) by inserting “(or private)” after “the public” each place it appears; and

(C) by inserting “(or 454(36)(A))” before the period.

(e) USE OF INCOME WITHHOLDING FOR UNEMPLOYMENT INSURANCE BENEFITS.—Section 303(e)(4) of such Act (42 U.S.C. 503(e)(4)), as amended by section 312(e)(3) of this Act, is amended by inserting “, and includes a private child support enforcement agency (as defined in section 466(i)) with respect to an individual who is an applicant for, or who is determined to be eligible for unemployment compensation if the State in which the private child support enforcement agency is located confirms that the private child support enforcement agency is seeking to establish, modify, or enforce a child support obligation of the individual pursuant to an agreement described in section 454(36)(A)” before the period.

#### SEC. 323. EFFECTIVE DATE.

Except as provided in section 801(b), the amendments made by this subtitle shall take effect on October 1, 2003, and shall apply to payments under part D of title IV of the Social Security Act for calendar quarters beginning on or after such date, and without regard to whether regulations to implement such amendments are promulgated by such date.

### TITLE IV—EXPANDED ENFORCEMENT

#### SEC. 401. DECREASE IN AMOUNT OF CHILD SUPPORT ARREARAGE TRIGGERING PASSPORT DENIAL.

Section 452(k) of the Social Security Act (42 U.S.C. 652(k)) is amended by striking “\$5,000” and inserting “\$2,500”.

#### SEC. 402. USE OF TAX REFUND INTERCEPT PROGRAM TO COLLECT PAST-DUE CHILD SUPPORT ON BEHALF OF CHILDREN WHO ARE NOT MINORS.

Section 464 of the Social Security Act (42 U.S.C. 664) is amended—

(1) in subsection (a)(2)(A), by striking “(as that term is defined for purposes of this paragraph under subsection (c))”; and

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking “(1) Except as provided in paragraph (2), as used in” and inserting “In”; and

(ii) by inserting “(whether or not a minor)” after “a child” each place it appears; and

(B) by striking paragraphs (2) and (3).

### TITLE V—FATHERHOOD PROGRAMS

#### Subtitle A—Fatherhood Grant Program

#### SEC. 501. FATHERHOOD GRANTS.

(a) IN GENERAL.—Part A of title IV of the Social Security Act (42 U.S.C. 601–619) is amended by inserting after section 403 the following:

#### “SEC. 403A. FATHERHOOD PROGRAMS.

“(a) PURPOSE.—The purpose of this section is to make grants available to public and private entities for projects designed to—

“(1) promote marriage through counseling, mentoring, disseminating information about the advantages of marriage, enhancing relationship skills, teaching how to control aggressive behavior, and other methods;

“(2) promote successful parenting through counseling, mentoring, disseminating information about good parenting practices including pre-pregnancy, family planning, training parents in money management, encouraging child support payments, encouraging regular visitation between fathers and their children, and other methods; and

“(3) help fathers and their families avoid or leave cash welfare provided by the program

under part A and improve their economic status by providing work first services, job search, job training, subsidized employment, career-advancing education, job retention, job enhancement, and other methods.

“(b) FATHERHOOD GRANTS.—

“(1) APPLICATIONS.—An entity desiring a grant to carry out a project described in subsection (a) may submit to the Secretary an application that contains the following:

“(A) A description of the project and how the project will be carried out.

“(B) A description of how the project will address all three of the purposes of this section.

“(C) A written commitment by the entity that the project will allow an individual to participate in the project only if the individual is—

“(i) a father of a child who is, or within the past 24 months has been, a recipient of assistance or services under a State program funded under this part;

“(ii) a father, including an expectant or married father, whose income (net of court-ordered child support) is less than 150 percent of the poverty line (as defined in section 673(2) of the Omnibus Budget Reconciliation Act of 1981, including any revision required by such section, applicable to a family of the size involved); or

“(iii) a parent referred to in paragraph (3)(A)(iii).

“(D) A written commitment by the entity that the entity will provide for the project, from funds obtained from non-Federal sources, amounts (including in-kind contributions) equal in value to—

“(i) 20 percent of the amount of any grant made to the entity under this subsection; or

“(ii) such lesser percentage as the Secretary deems appropriate (which shall be not less than 10 percent) of such amount, if the application demonstrates that there are circumstances that limit the ability of the entity to raise funds or obtain resources.

“(E) A written commitment by the entity that the entity will make available to each individual participating in the project education about alcohol, tobacco, and other drugs and the effects of abusing such substances, and information about HIV/AIDS and its transmission.

“(2) CONSIDERATION OF APPLICATIONS BY INTERAGENCY PANEL.—

“(A) ESTABLISHMENT.—There is established a panel to be known as the ‘Fatherhood Grants Recommendations Panel’ (in this subparagraph referred to as the ‘Panel’).

“(B) MEMBERSHIP.—

“(i) IN GENERAL.—The Panel shall be composed of 10 members, as follows:

“(I) Two members of the Panel shall be appointed by the Secretary.

“(II) Two members of the Panel shall be appointed by the Secretary of Labor.

“(III) Two members of the Panel shall be appointed by the Chairman of the Committee on Ways and Means of the House of Representatives.

“(IV) One member of the Panel shall be appointed by the ranking minority member of the Committee on Ways and Means of the House of Representatives.

“(V) Two members of the Panel shall be appointed by the Chairman of the Committee on Finance of the Senate.

“(VI) One member of the Panel shall be appointed by the ranking minority member of the Committee on Finance of the Senate.

“(ii) QUALIFICATIONS.—An individual shall not be eligible to serve on the Panel unless the individual has experience in programs for fathers, programs for the poor, programs for children, program administration, or program research.

“(iii) CONFLICTS OF INTEREST.—An individual shall not be eligible to serve on the

Panel if such service would pose a conflict of interest for the individual.

“(iv) TIMING OF APPOINTMENTS.—The appointment of members to the Panel shall be completed not later than April 1, 2001.

“(C) DUTIES.—

“(i) REVIEW AND MAKE RECOMMENDATIONS ON PROJECT APPLICATIONS.—The Panel shall review all applications submitted pursuant to paragraph (1), and make recommendations to the Secretary regarding which applicants should be awarded grants under this subsection, with due regard for the provisions of paragraph (3), but shall not recommend that a project be awarded such a grant if the application describing the project does not attempt to meet the requirement of paragraph (1)(B).

“(ii) TIMING.—The Panel shall make such recommendations not later than October 1, 2001.

“(D) TERM OF OFFICE.—Each member appointed to the Panel shall serve for the life of the Panel.

“(E) PROHIBITION ON COMPENSATION.—Members of the Panel may not receive pay, allowances, or benefits by reason of their service on the Panel.

“(F) TRAVEL EXPENSES.—Each member of the Panel shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

“(G) MEETINGS.—The Panel shall meet as often as is necessary to complete the business of the Panel.

“(H) CHAIRPERSON.—The Chairperson of the Panel shall be designated by the Secretary at the time of appointment.

“(I) STAFF OF FEDERAL AGENCIES.—The Secretary may detail any personnel of the Department of Health and Human Services and the Secretary of Labor may detail any personnel of the Department of Labor to the Panel to assist the Panel in carrying out its duties under this paragraph.

“(J) OBTAINING OFFICIAL DATA.—The Panel may secure directly from any department or agency of the United States information necessary to enable it to carry out this paragraph. On request of the Chairperson of the Panel, the head of the department or agency shall furnish that information to the Panel.

“(K) MAILS.—The Panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

“(L) TERMINATION.—The Panel shall terminate on October 1, 2001.

“(3) RULES GOVERNING GRANTS.—

“(A) GRANT AWARDS.—

“(i) IN GENERAL.—The Secretary shall award matching grants, on a competitive basis, among entities submitting applications therefor which meet the requirements of paragraph (1), in amounts that take into account the written commitments referred to in paragraph (1)(D).

“(ii) TIMING.—On October 1, 2001, the Secretary shall award not more than \$140,000,000 in matching grants after considering the recommendations submitted pursuant to paragraph (2)(C)(i).

“(iii) NONDISCRIMINATION.—The provisions of this section shall be applied and administered so as to ensure that mothers, expectant mothers, and married mothers are eligible for benefits and services under projects awarded grants under this section on the same basis as fathers, expectant fathers, and married fathers.

“(B) PREFERENCES.—In determining which entities to which to award grants under this subsection, the Secretary shall give preference to an entity—

“(i) to the extent that the application submitted by the entity describes actions that

the entity will take that are designed to encourage or facilitate the payment of child support, including but not limited to—

“(I) obtaining a written commitment by the agency responsible for administering the State plan approved under part D for the State in which the project is to be carried out that the State will voluntarily cancel child support arrearages owed to the State by the father as a result of the father providing various supports to the family such as maintaining a regular child support payment schedule or living with his children;

“(II) obtaining a written commitment by the entity that the entity will help participating fathers who cooperate with the agency in improving their credit rating; and

“(III) helping fathers arrange and maintain a consistent schedule of visits with their children, unless it would be unsafe;

“(ii) to the extent that the application includes written agreements of cooperation with other private and governmental agencies, including the State or local program funded under this part, the local Workforce Investment Board, the State or local program funded under part D, community-based domestic violence programs, and the State or local program funded under part E, which should include a description of the services each such agency will provide to fathers participating in the project described in the application;

“(iii) to the extent that the application describes a project that will enroll a high percentage of project participants within 6 months before or after the birth of the child; or

“(iv) to the extent that the application sets forth clear and practical methods by which fathers will be recruited to participate in the project.

“(C) MINIMUM PERCENTAGE OF RECIPIENTS OF GRANT FUNDS TO BE NONGOVERNMENTAL (INCLUDING FAITH-BASED) ORGANIZATIONS.—Not less than 75 percent of the entities awarded grants under this subsection in each fiscal year (other than entities awarded such grants pursuant to the preferences required by subparagraph (B)) shall be awarded to—

“(i) nongovernmental (including faith-based) organizations; or

“(ii) governmental organizations that pass through to organizations referred to in clause (i) at least 50 percent of the amount of the grant.

“(D) DIVERSITY OF PROJECTS.—

“(i) IN GENERAL.—In determining which entities to which to award grants under this subsection, the Secretary shall attempt to achieve a balance among entities of differing sizes, entities in differing geographic areas, entities in urban versus rural areas, and entities employing differing methods of achieving the purposes of this section.

“(ii) REPORT TO THE CONGRESS.—Within 90 days after each award of grants under subparagraph (A)(ii), the Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a brief report on the diversity of projects selected to receive funds under the grant program. The report shall include a comparison of funding for projects located in urban areas, projects located in suburban areas, and projects located in rural areas.

“(E) PAYMENT OF GRANT IN FOUR EQUAL ANNUAL INSTALLMENTS.—During the fiscal year in which a grant is awarded under this subsection and each of the succeeding three fiscal years, the Secretary shall provide to the entity awarded the grant an amount equal to ¼ of the amount of the grant.

“(4) USE OF FUNDS.—

“(A) IN GENERAL.—Each entity to which a grant is made under this subsection shall use grant funds provided under this subsection in

accordance with the application requesting the grant, the requirements of this subsection, and the regulations prescribed under this subsection, and may use the grant funds to support community-wide initiatives to address the purposes of this section.

“(B) NONDISPLACEMENT.—

“(i) IN GENERAL.—An adult in a work activity described in section 407(d) which is funded, in whole or in part, by funds provided under this section shall not be employed or assigned—

“(I) when any other individual is on layoff from the same or any substantially equivalent job; or

“(II) if the employer has terminated the employment of any regular employee or otherwise caused an involuntary reduction of its workforce in order to fill the vacancy so created with such an adult.

“(ii) GRIEVANCE PROCEDURE.—

“(I) IN GENERAL.—Complaints alleging violations of clause (i) in a State may be resolved—

“(aa) if the State has established a grievance procedure under section 403(a)(5)(I)(iv), pursuant to the grievance procedure; or

“(bb) otherwise, pursuant to the grievance procedure established by the State under section 407(f)(3).

“(II) FORFEITURE OF GRANT IF GRIEVANCE PROCEDURE NOT AVAILABLE.—If a complaint referred to in subclause (I) is made against an entity to which a grant has been made under this section with respect to a project, and the complaint cannot be brought to, or cannot be resolved within 90 days after being brought, by a grievance procedure referred to in subclause (I), then the entity shall immediately return to the Secretary all funds provided to the entity under this section for the project, and the Secretary shall immediately rescind the grant.

“(C) RULE OF CONSTRUCTION.—This section shall not be construed to require the participation of a father in a project funded under this section to be discontinued by the project on the basis of changed economic circumstances of the father.

“(D) RULE OF CONSTRUCTION ON MARRIAGE.—This section shall not be construed to authorize the Secretary to define marriage for purposes of this section.

“(E) PENALTY FOR MISUSE OF GRANT FUNDS.—If the Secretary determines that an entity to which a grant is made under this subsection has used any amount of the grant in violation of subparagraph (A), the Secretary shall require the entity to remit to the Secretary an amount equal to the amount so used, plus all remaining grant funds, and the entity shall thereafter be ineligible for any grant under this subsection.

“(F) REMITTANCE OF UNUSED GRANT FUNDS.—Each entity to which a grant is awarded under this subsection shall remit to the Secretary all funds paid under the grant that remain at the end of the fifth fiscal year ending after the initial grant award.

“(5) AUTHORITY OF AGENCIES TO EXCHANGE INFORMATION.—Each agency administering a program funded under this part or a State plan approved under part D may share the name, address, telephone number, and identifying case number information in the State program funded under this part, of fathers for purposes of assisting in determining the eligibility of fathers to participate in projects receiving grants under this section, and in contacting fathers potentially eligible to participate in the projects, subject to all applicable privacy laws.

“(6) EVALUATION.—The Secretary, in consultation with the Secretary of Labor, shall, directly or by grant, contract, or interagency agreement, conduct an evaluation of projects funded under this section (other than under subsection (c)(1)). The evaluation

shall assess, among other outcomes selected by the Secretary, effects of the projects on marriage, parenting, employment, earnings, and payment of child support. In selecting projects for the evaluation, the Secretary should include projects that, in the Secretary's judgment, are most likely to impact the matters described in the purposes of this section. In conducting the evaluation, random assignment should be used wherever possible.

“(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out this subsection.

“(8) LIMITATION ON APPLICABILITY OF OTHER PROVISIONS OF THIS PART.—Sections 404 through 410 shall not apply to this section or to amounts paid under this section, and shall not be applied to an entity solely by reason of receipt of funds pursuant to this section. A project shall not be considered a State program funded under this part solely by reason of receipt of funds paid under this section.

“(9) FUNDING.—

“(A) IN GENERAL.—

“(i) INTERAGENCY PANEL.—Of the amounts made available pursuant to section 403(a)(1)(E) to carry out this section for fiscal year 2001, a total of \$150,000 shall be made available for the interagency panel established by paragraph (2) of this subsection.

“(ii) GRANTS.—Of the amounts made available pursuant to section 403(a)(1)(E) to carry out this section for fiscal years 2002 through 2005, a total of \$140,000,000 shall be made available for grants under this subsection.

“(iii) EVALUATION.—Of the amounts made available pursuant to section 403(a)(1)(E) to carry out this section for fiscal years 2001 through 2006, a total of \$6,000,000 shall be made available for the evaluation required by paragraph (6) of this subsection.

“(B) AVAILABILITY.—

“(i) GRANT FUNDS.—The amounts made available pursuant to subparagraph (A)(ii) shall remain available until the end of fiscal year 2006.

“(ii) EVALUATION FUNDS.—The amounts made available pursuant to subparagraph (A)(iii) shall remain available until the end of fiscal year 2008.”

(b) FUNDING.—Section 403(a)(1)(E) of such Act (42 U.S.C. 603(a)(1)(E)) is amended by inserting “, and for fiscal years 2001 through 2007, such sums as are necessary to carry out section 403A” before the period.

(c) APPLICABILITY OF CHARITABLE CHOICE PROVISIONS OF WELFARE REFORM.—Section 104 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (42 U.S.C. 604a) is amended by adding at the end the following:

“(l) Notwithstanding the preceding provisions of this section, this section shall apply to any entity to which funds have been provided under section 403A of the Social Security Act in the same manner in which this section applies to States, and, for purposes of this section, any project for which such funds are so provided shall be considered a program described in subsection (a)(2).”

#### **Subtitle B—Fatherhood Projects of National Significance**

##### **SEC. 511. FATHERHOOD PROJECTS OF NATIONAL SIGNIFICANCE.**

Section 403A of the Social Security Act, as added by subtitle A of this title, is amended by adding at the end the following:

“(c) FATHERHOOD PROJECTS OF NATIONAL SIGNIFICANCE.—

“(1) NATIONAL CLEARINGHOUSE.—The Secretary shall award a \$5,000,000 grant to a nationally recognized, nonprofit fatherhood promotion organization with at least 4 years of experience in designing and disseminating a national public education campaign, including the production and successful placement of television, radio, and print public

service announcements which promote the importance of responsible fatherhood, and with at least 4 years experience providing consultation and training to community-based organizations interested in implementing fatherhood outreach, support, or skill development programs with an emphasis on promoting married fatherhood as the ideal, to—

“(A) develop, promote, and distribute to interested States, local governments, public agencies, and private nonprofit organizations, including charitable and religious organizations, a media campaign that encourages the appropriate involvement of both parents in the life of any child of the parents, and encourages such organizations to develop or sponsor programs that specifically address the issue of responsible fatherhood and the advantages conferred on children by marriage;

“(B) develop a national clearinghouse to assist States, communities, and private entities in efforts to promote and support marriage and responsible fatherhood by collecting, evaluating, and making available (through the Internet and by other means) to all interested parties, information regarding media campaigns and fatherhood programs;

“(C) develop and distribute materials that are for use by entities described in subparagraph (A) or (B) and that help young adults manage their money, develop the knowledge and skills needed to promote successful marriages, plan for future expenditures and investments, and plan for retirement;

“(D) develop and distribute materials that are for use by entities described in subparagraphs (A) and (B) and that list all the sources of public support for education and training that are available to young adults, including government spending programs as well as benefits under Federal and State tax laws.

“(2) MULTICITY FATHERHOOD PROJECTS.—

“(A) IN GENERAL.—The Secretary shall award a \$5,000,000 grant to each of two nationally recognized nonprofit fatherhood promotion organizations which meet the requirements of subparagraph (B), at least one of which organizations meets the requirement of subparagraph (C).

“(B) REQUIREMENTS.—The requirements of this subparagraph are the following:

“(i) The organization must have several years of experience in designing and conducting programs that meet the purposes described in paragraph (1).

“(ii) The organization must have experience in simultaneously conducting such programs in more than one major metropolitan area and in coordinating such programs with local government agencies and private, nonprofit agencies, including State or local agencies responsible for conducting the program under part D and Workforce Investment Boards.

“(iii) The organization must submit to the Secretary an application that meets all the conditions applicable to the organization under this section and that provides for projects to be conducted in three major metropolitan areas.

“(C) USE OF MARRIED COUPLES TO DELIVER SERVICES IN THE INNER CITY.—The requirement of this subparagraph is that the organization has extensive experience in using married couples to deliver program services in the inner city.

“(3) PAYMENT OF GRANTS IN FOUR EQUAL ANNUAL INSTALLMENTS.—During each of fiscal years 2002 through 2005, the Secretary shall provide to each entity awarded a grant under this subsection an amount equal to ¼ of the amount of the grant.

“(4) FUNDING.—

“(A) IN GENERAL.—Of the amounts made available pursuant to section 403(a)(1)(E) to

carry out this section, \$3,750,000 shall be made available for grants under this subsection for each of fiscal years 2002 through 2005.

“(B) AVAILABILITY.—The amounts made available pursuant to subparagraph (A) shall remain available until the end of fiscal year 2005.”.

#### TITLE VI—MISCELLANEOUS

##### SEC. 601. CHANGE DATES FOR ABSTINENCE EVALUATION.

(a) IN GENERAL.—Section 403(a)(5)(G)(iii) of the Social Security Act (42 U.S.C. 603(a)(5)(G)(iii)), as amended by section 606(a) of this Act, is amended by striking “2001” and inserting “2005”.

(b) INTERIM REPORT REQUIRED.—Section 403(a)(5)(G) of such Act (42 U.S.C. 603(a)(5)(G)), as so amended, is amended by adding at the end the following:

“(iv) INTERIM REPORT.—Not later than January 1, 2002, the Secretary shall submit to the Congress an interim report on the evaluations referred to in clause (i).”.

##### SEC. 602. REPORT ON UNDISTRIBUTED CHILD SUPPORT PAYMENTS.

Not later than 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the procedures that the States use generally to locate custodial parents for whom child support has been collected but not yet distributed due to a change in address. The report shall include an estimate of the total amount of such undistributed child support and the average length of time it takes for such child support to be distributed. The Secretary shall include in the report recommendations as to whether additional procedures should be established at the State or Federal level to expedite the payment of undistributed child support.

##### SEC. 603. USE OF NEW HIRE INFORMATION TO ASSIST IN ADMINISTRATION OF UNEMPLOYMENT COMPENSATION PROGRAMS.

(a) IN GENERAL.—Section 453(j) of the Social Security Act (42 U.S.C. 653(j)) is amended by adding at the end the following:

“(7) INFORMATION COMPARISONS AND DISCLOSURE TO ASSIST IN ADMINISTRATION OF UNEMPLOYMENT COMPENSATION PROGRAMS.—

“(A) IN GENERAL.—If a State agency responsible for the administration of an unemployment compensation program under Federal or State law transmits to the Secretary the name and social security account number of an individual, the Secretary shall, if the information in the National Directory of New Hires indicates that the individual may be employed, disclose to the State agency the name, address, and employer identification number of any putative employer of the individual, subject to this paragraph.

“(B) CONDITION ON DISCLOSURE.—The Secretary shall make a disclosure under subparagraph (A) only to the extent that the Secretary determines that the disclosure would not interfere with the effective operation of the program under this part.

“(C) USE OF INFORMATION.—A State agency may use information provided under this paragraph only for purposes of administering a program referred to in subparagraph (A).”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2000.

##### SEC. 604. IMMIGRATION PROVISIONS.

(a) NONIMMIGRANT ALIENS INELIGIBLE TO RECEIVE VISAS AND EXCLUDED FROM ADMISSION FOR NONPAYMENT OF CHILD SUPPORT.—

(1) IN GENERAL.—Section 212(a)(10) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(10)) is amended by adding at the end the following:

“(F) NONPAYMENT OF CHILD SUPPORT.—

“(i) IN GENERAL.—Any nonimmigrant alien is inadmissible who is legally obligated under a judgment, decree, or order to pay child support (as defined in section 459(i) of the Social Security Act), and whose failure to pay such child support has resulted in an arrearage exceeding \$2,500, until child support payments under the judgment, decree, or order are satisfied or the nonimmigrant alien is in compliance with an approved payment agreement.

“(ii) WAIVER AUTHORIZED.—The Attorney General may waive the application of clause (i) in the case of an alien, if the Attorney General—

“(I) has received a request for the waiver from the court or administrative agency having jurisdiction over the judgment, decree, or order obligating the alien to pay child support that is referred to in such clause; or

“(II) determines that there are prevailing humanitarian or public interest concerns.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect 180 days after the date of the enactment of this Act.

(b) AUTHORIZATION TO SERVE LEGAL PROCESS IN CHILD SUPPORT CASES ON CERTAIN ARRIVING ALIENS.—

(1) IN GENERAL.—Section 235(d) of the Immigration and Nationality Act (8 U.S.C. 1225(d)) is amended by adding at the end the following:

“(5) AUTHORITY TO SERVE PROCESS IN CHILD SUPPORT CASES.—

“(A) IN GENERAL.—To the extent consistent with State law, immigration officers are authorized to serve on any alien who is an applicant for admission to the United States legal process with respect to any action to enforce or establish a legal obligation of an individual to pay child support (as defined in section 459(i) of the Social Security Act).

“(B) DEFINITION.—For purposes of subparagraph (A), the term ‘legal process’ means any writ, order, summons or other similar process, which is issued by—

“(i) a court or an administrative agency of competent jurisdiction in any State, territory, or possession of the United States; or

“(ii) an authorized official pursuant to an order of such a court or agency or pursuant to State or local law.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to aliens applying for admission to the United States on or after 180 days after the date of the enactment of this Act.

(c) AUTHORIZATION TO SHARE CHILD SUPPORT ENFORCEMENT INFORMATION TO ENFORCE IMMIGRATION AND NATURALIZATION LAW.—

(1) SECRETARIAL RESPONSIBILITY.—Section 452 of the Social Security Act (42 U.S.C. 652) is amended by adding at the end the following:

“(m) If the Secretary receives a certification by a State agency, in accordance with section 454(37), that an individual who is a nonimmigrant alien (as defined in section 101(a)(15) of the Immigration and Nationality Act) owes arrearages of child support in an amount exceeding \$2,500, the Secretary may, at the request of the State agency, the Secretary of State, or the Attorney General, or on the Secretary's own initiative, provide such certification to the Secretary of State and the Attorney General information in order to enable them to carry out their responsibilities under sections 212(a)(10) and 235(d) of such Act.”.

(2) STATE AGENCY RESPONSIBILITY.—Section 454 of the Social Security Act (42 U.S.C. 654), as amended by sections 101(c), 311(a), 312(a)(1), 321(a), and 322(a) of this Act, is amended—

(A) by striking "and" at the end of paragraph (35);

(B) by striking the period at the end of paragraph (36) and inserting "; and"; and

(C) by inserting after paragraph (36) the following:

"(37) provide that the State agency will have in effect a procedure for certifying to the Secretary, in such format and accompanied by such supporting documentation as the Secretary may require, determinations that nonimmigrant aliens owe arrearages of child support in an amount exceeding \$2,500."

**SEC. 605. CORRECTION OF ERRORS IN CONFORMING AMENDMENTS IN THE WELFARE-TO-WORK AND CHILD SUPPORT AMENDMENTS OF 1999.**

(a) IN GENERAL.—Section 403(a)(5) of the Social Security Act (42 U.S.C. 603(a)(5)), as amended by section 606(a) of this Act, is amended—

(1) in subparagraph (E), by striking "\$1,500,000" and inserting "\$15,000,000";

(2) in subparagraph (F), by striking "\$900,000" and inserting "\$9,000,000";

(3) in subparagraph (G)(i), by striking "\$300,000" and inserting "\$3,000,000".

(b) RETROACTIVITY.—The amendments made by subsection (a) of this section shall take effect as if included in the enactment of section 806 of H.R. 3424 of the 106th Congress by section 1000(a)(4) of Public Law 106-113.

**SEC. 606. ELIMINATION OF SET-ASIDE OF WELFARE-TO-WORK FUNDS FOR SUCCESSFUL PERFORMANCE BONUS.**

(a) IN GENERAL.—Section 403(a)(5) of the Social Security Act (42 U.S.C. 603(a)(5)) is amended by striking subparagraph (E) and redesignating subparagraphs (F) through (K) as subparagraphs (E) through (J), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 403(a)(5)(A)(i) of such Act (42 U.S.C. 603(a)(5)(A)(i)) is amended by striking "subparagraph (I)" and inserting "subparagraph (H)".

(2) Subclause (I) of each of subparagraphs (A)(iv) and (B)(v) of section 403(a)(5) of such Act (42 U.S.C. 603(a)(5)(A)(iv)(I) and (B)(v)(I)) is amended—

(A) in item (aa)—

(i) by striking "(I)" and inserting "(H)"; and

(ii) by striking "(G), and (H)" and inserting "and (G)"; and

(B) in item (bb), by striking "(F)" and inserting "(E)".

(3) Section 403(a)(5)(B)(v) of such Act (42 U.S.C. 603(a)(5)(B)) is amended in the matter preceding subclause (I) by striking "(I)" and inserting "(H)".

(4) Subparagraphs (E) and (F) of section 403(a)(5) of such Act (42 U.S.C. 603(a)(5)(E) and (F)), as so redesignated by subsection (a) of this section, are each amended by striking "(I)" and inserting "(H)".

(5) Section 412(a)(3)(A) of such Act (42 U.S.C. 612(a)(3)(A)) is amended by striking "403(a)(5)(I)" and inserting "403(a)(5)(H)".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

**TITLE VII—EFFECTIVE DATE**

**SEC. 701. EFFECTIVE DATE.**

(a) IN GENERAL.—Except as provided in sections 101(e), 301(c), 313, 323, 603(b), 605(b) and 606, and in subsection (b) of this section, this Act and the amendments made by this Act shall take effect on October 1, 2001, and shall apply to payments under part D of title IV of the Social Security Act for calendar quarters beginning on or after such date, and without regard to whether regulations to implement such amendments are promulgated by such date.

(b) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—In the case of a State plan

approved under section 454 of the Social Security Act which requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this Act, the State plan shall not be regarded as failing to comply with the additional requirements solely on the basis of the failure of the plan to meet the additional requirements before the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

The SPEAKER pro tempore. The amendment printed in the bill, modified by the amendment permitted by the order of the House of today, is adopted.

The text of H.R. 4678, as amended, as modified, is as follows:

H.R. 4678

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

*This Act may be cited as the "Child Support Distribution Act of 2000".*

**SEC. 2. TABLE OF CONTENTS.**

*The table of contents for this Act is as follows:*

*Sec. 1. Short title.*

*Sec. 2. Table of contents.*

**TITLE I—DISTRIBUTION OF CHILD SUPPORT**

*Sec. 101. Distribution of child support collected by States on behalf of children receiving certain welfare benefits.*

**TITLE II—REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS**

*Sec. 201. Mandatory review and modification of child support orders for TANF recipients.*

**TITLE III—DEMONSTRATION OF EXPANDED INFORMATION AND ENFORCEMENT**

*Sec. 301. Guidelines for involvement of public non-IV-D child support enforcement agencies in child support enforcement.*

*Sec. 302. Demonstrations involving establishment and enforcement of child support obligations by public non-IV-D child support enforcement agencies.*

*Sec. 303. GAO report to Congress on private child support enforcement agencies.*

*Sec. 304. Effective date.*

**TITLE IV—EXPANDED ENFORCEMENT**

*Sec. 401. Decrease in amount of child support arrearage triggering passport denial.*

*Sec. 402. Use of tax refund intercept program to collect past-due child support on behalf of children who are not minors.*

*Sec. 403. Garnishment of compensation paid to veterans for service-connected disabilities in order to enforce child support obligations.*

**TITLE V—FATHERHOOD PROGRAMS**

**Subtitle A—Fatherhood Grant Program**

*Sec. 501. Fatherhood grants.*

**Subtitle B—Fatherhood Projects of National Significance**

*Sec. 511. Fatherhood projects of national significance.*

**TITLE VI—MISCELLANEOUS**

*Sec. 601. Change dates for abstinence evaluation.*

*Sec. 602. Report on undistributed child support payments.*

*Sec. 603. Use of new hire information to assist in administration of unemployment compensation programs.*

*Sec. 604. Immigration provisions.*

*Sec. 605. Correction of errors in conforming amendments in the Welfare-To-Work and Child Support Amendments of 1999.*

*Sec. 606. Elimination of set-aside of welfare-to-work funds for successful performance bonus.*

*Sec. 607. Increase in payment rate to States for expenditures for short term training of staff of certain child welfare agencies.*

**TITLE VII—EFFECTIVE DATE**

*Sec. 701. Effective date.*

**TITLE I—DISTRIBUTION OF CHILD SUPPORT**

**SEC. 101. DISTRIBUTION OF CHILD SUPPORT COLLECTED BY STATES ON BEHALF OF CHILDREN RECEIVING CERTAIN WELFARE BENEFITS.**

(a) MODIFICATION OF RULE REQUIRING ASSIGNMENT OF SUPPORT RIGHTS AS A CONDITION OF RECEIVING TANF.—Section 408(a)(3) of the Social Security Act (42 U.S.C. 608(a)(3)) is amended to read as follows:

"(3) NO ASSISTANCE FOR FAMILIES NOT ASSIGNING CERTAIN SUPPORT RIGHTS TO THE STATE.—A State to which a grant is made under section 403 shall require, as a condition of providing assistance to a family under the State program funded under this part, that a member of the family assign to the State any rights the family member may have (on behalf of the family member or of any other person for whom the family member has applied for or is receiving such assistance) to support from any other person, not exceeding the total amount of assistance so provided to the family, which accrues during the period that the family receives assistance under the program."

(b) INCREASING CHILD SUPPORT PAYMENTS TO FAMILIES AND SIMPLIFYING CHILD SUPPORT DISTRIBUTION RULES.—

(1) DISTRIBUTION RULES.—

(A) IN GENERAL.—Section 457(a) of such Act (42 U.S.C. 657(a)) is amended to read as follows:

"(a) IN GENERAL.—Subject to subsections (d) and (e), the amounts collected on behalf of a family as support by a State pursuant to a plan approved under this part shall be distributed as follows:

"(1) FAMILIES RECEIVING ASSISTANCE.—In the case of a family receiving assistance from the State, the State shall—

"(A) pay to the Federal Government the Federal share of the amount collected, subject to paragraph (3)(A);

"(B) retain, or pay to the family, the State share of the amount collected, subject to paragraph (3)(B); and

"(C) pay to the family any remaining amount.

"(2) FAMILIES THAT FORMERLY RECEIVED ASSISTANCE.—In the case of a family that formerly received assistance from the State:

"(A) CURRENT SUPPORT.—To the extent that the amount collected does not exceed the current support amount, the State shall pay the amount to the family.

"(B) ARREARAGES.—To the extent that the amount collected exceeds the current support amount, the State—

"(i) shall first pay to the family the excess amount, to the extent necessary to satisfy support arrearages not assigned pursuant to section 408(a)(3);

"(ii) if the amount collected exceeds the amount required to be paid to the family under clause (i), shall—

"(I) pay to the Federal Government, the Federal share of the excess amount described in this clause, subject to paragraph (3)(A); and

"(II) retain, or pay to the family, the State share of the excess amount described in this clause, subject to paragraph (3)(B); and

“(iii) shall pay to the family any remaining amount.

“(3) LIMITATIONS.—

“(A) FEDERAL REIMBURSEMENTS.—The total of the amounts paid by the State to the Federal Government under paragraphs (1) and (2) of this subsection with respect to a family shall not exceed the Federal share of the amount assigned with respect to the family pursuant to section 408(a)(3).

“(B) STATE REIMBURSEMENTS.—The total of the amounts retained by the State under paragraphs (1) and (2) of this subsection with respect to a family shall not exceed the State share of the amount assigned with respect to the family pursuant to section 408(a)(3).

“(4) FAMILIES THAT NEVER RECEIVED ASSISTANCE.—In the case of any other family, the State shall pay the amount collected to the family.

“(5) FAMILIES UNDER CERTAIN AGREEMENTS.—Notwithstanding paragraphs (1) through (4), in the case of an amount collected for a family in accordance with a cooperative agreement under section 454(33), the State shall distribute the amount collected pursuant to the terms of the agreement.

“(6) STATE FINANCING OPTIONS.—To the extent that the State share of the amount payable to a family for a month pursuant to paragraph (2)(B) of this subsection exceeds the amount that the State estimates (under procedures approved by the Secretary) would have been payable to the family for the month pursuant to former section 457(a)(2) (as in effect for the State immediately before the date this subsection first applies to the State) if such former section had remained in effect, the State may elect to use the grant made to the State under section 403(a) to pay the amount, or to have the payment considered a qualified State expenditure for purposes of section 409(a)(7), but not both.”

“(7) STATE OPTION TO PASS THROUGH ADDITIONAL SUPPORT WITH FEDERAL FINANCIAL PARTICIPATION.—

“(A) IN GENERAL.—Notwithstanding paragraphs (1) and (2), a State shall not be required to pay to the Federal Government the Federal share of an amount collected on behalf of a family that is not a recipient of assistance under the State program funded under part A, to the extent that the State pays the amount to the family.

“(B) RECIPIENTS OF TANF FOR LESS THAN 5 YEARS.—

“(i) IN GENERAL.—Notwithstanding paragraphs (1) and (2), a State shall not be required to pay to the Federal Government the Federal share of an amount collected on behalf of a family that is a recipient of assistance under the State program funded under part A and that has received the assistance for not more than 5 years after the date of the enactment of this paragraph, to the extent that—

“(I) the State pays the amount to the family; and

“(II) subject to clause (ii), the amount is disregarded in determining the amount and type of the assistance provided to the family.

“(ii) LIMITATION.—Of the amount disregarded as described in clause (i)(II), the maximum amount that may be taken into account for purposes of clause (i) shall not exceed \$400 per month, except that, in the case of a family that includes 2 or more children, the State may elect to increase the maximum amount to not more than \$600 per month.”

(B) APPROVAL OF ESTIMATION PROCEDURES.—Not later than October 1, 2001, the Secretary of Health and Human Services, in consultation with the States (as defined for purposes of part D of title IV of the Social Security Act), shall establish the procedures to be used to make the estimate described in section 457(a)(6) of such Act.

(2) CURRENT SUPPORT AMOUNT DEFINED.—Section 457(c) of such Act (42 U.S.C. 657(c)) is amended by adding at the end the following:

“(5) CURRENT SUPPORT AMOUNT.—The term ‘current support amount’ means, with respect to

amounts collected as support on behalf of a family, the amount designated as the monthly support obligation of the noncustodial parent in the order requiring the support.”

(c) BAN ON RECOVERY OF MEDICAID COSTS FOR CERTAIN BIRTHS.—Section 454 of such Act (42 U.S.C. 654) is amended—

(1) by striking “and” at the end of paragraph (32);

(2) by striking the period at the end of paragraph (33) and inserting “; and”; and

(3) by inserting after paragraph (33) the following:

“(34) provide that the State shall not use the State program operated under this part to collect any amount owed to the State by reason of costs incurred under the State plan approved under title XIX for the birth of a child for whom support rights have been assigned pursuant to section 408(a)(3), 471(a)(17), or 1912.”

(d) STATE OPTION TO DISCONTINUE CERTAIN SUPPORT ASSIGNMENTS.—Section 457(b) of such Act (42 U.S.C. 657(b)) is amended by striking “shall” and inserting “may”.

(e) CONFORMING AMENDMENTS.—

(1) Section 409(a)(7)(B)(i)(I)(aa) of such Act (42 U.S.C. 609(a)(7)(B)(i)(I)(aa)) is amended by striking “457(a)(1)(B)” and inserting “457(a)(1)”.

(2) Section 404(a) of such Act (42 U.S.C. 604(a)) is amended—

(A) by striking “or” at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting “; or”; and

(C) by adding at the end the following:

“(3) to fund payment of an amount pursuant to clause (i) or (ii) of section 457(a)(2)(B), but only to the extent that the State properly elects under section 457(a)(6) to use the grant to fund the payment.”

(3) Section 409(a)(7)(B)(i) of such Act (42 U.S.C. 609(a)(7)(B)(i)) is amended by adding at the end the following:

“(V) PORTIONS OF CERTAIN CHILD SUPPORT PAYMENTS COLLECTED ON BEHALF OF AND DISTRIBUTED TO FAMILIES NO LONGER RECEIVING ASSISTANCE.—Any amount paid by a State pursuant to clause (i) or (ii) of section 457(a)(2)(B), but only to the extent that the State properly elects under section 457(a)(6) to have the payment considered a qualified State expenditure.”

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on October 1, 2005, and shall apply to payments under parts A and D of title IV of the Social Security Act for calendar quarters beginning on or after such date, and without regard to whether regulations to implement such amendments (in the case of State programs operated under such part D) are promulgated by such date.

(2) STATE OPTION TO ACCELERATE EFFECTIVE DATE.—In addition, a State may elect to have the amendments made by this section apply to the State and to amounts collected by the State, on and after such date as the State may select that is after the date of the enactment of this Act and before October 1, 2005.

#### TITLE II—REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS

##### SEC. 201. MANDATORY REVIEW AND MODIFICATION OF CHILD SUPPORT ORDERS FOR TANF RECIPIENTS.

(a) REVIEW EVERY 3 YEARS.—Section 466(a)(10)(A)(i) of the Social Security Act (42 U.S.C. 666(a)(10)(A)(i)) is amended—

(1) by striking “or,” and inserting “or”; and

(2) by striking “upon the request of the State agency under the State plan or of either parent.”

(b) REVIEW UPON LEAVING TANF.—

(1) NOTICE OF CERTAIN FAMILIES LEAVING TANF.—Section 402(a) of such Act (42 U.S.C. 602(a)) is amended by adding at the end the following:

“(8) CERTIFICATION THAT THE CHILD SUPPORT ENFORCEMENT PROGRAM WILL BE PROVIDED NO-

TICE OF CERTAIN FAMILIES LEAVING TANF PROGRAM.—A certification by the chief executive officer of the State that the State has established procedures to ensure that the State agency administering the child support enforcement program under the State plan approved under part D will be provided notice of the impending discontinuation of assistance to an individual under the State program funded under this part if the individual has custody of a child whose other parent is alive and not living at home with the child.”

(2) REVIEW.—Section 466(a)(10) of such Act (42 U.S.C. 666(a)(10)) is amended—

(A) in the paragraph heading, by striking “UPON REQUEST”;

(B) in subparagraph (C), by striking “this paragraph” and inserting “subparagraph (A) or (B)”; and

(C) by adding at the end the following:

“(D) REVIEW UPON LEAVING TANF.—On receipt of a notice issued pursuant to section 402(a)(8), the State child support enforcement agency shall—

“(i) examine the case file involved;

“(ii) determine what actions (if any) are needed to locate any noncustodial parent, establish paternity or a support order, or enforce a support order in the case;

“(iii) immediately take the actions; and

“(iv) if there is a support order in the case which the State has not reviewed during the 1-year period ending with receipt of the notice, notwithstanding subparagraph (B), review and, if appropriate, adjust the order in accordance with subparagraph (A).”

#### TITLE III—DEMONSTRATIONS OF EXPANDED INFORMATION AND ENFORCEMENT

##### SEC. 301. GUIDELINES FOR INVOLVEMENT OF PUBLIC NON-IV-D CHILD SUPPORT ENFORCEMENT AGENCIES IN CHILD SUPPORT ENFORCEMENT.

(a) IN GENERAL.—Not later than October 1, 2001, the Secretary, in consultation with States, local governments, and individuals or companies knowledgeable about involving public non-IV-D child support enforcement agencies in child support enforcement, shall develop recommendations which address the participation of public non-IV-D child support enforcement agencies in the establishment and enforcement of child support obligations. The matters addressed by the recommendations shall include substantive and procedural rules which should be followed with respect to privacy safeguards, data security, due process rights, administrative compatibility with State and Federal automated systems, eligibility requirements (such as registration, licensing, and posting of bonds) for access to information and use of enforcement mechanisms, recovery of costs by charging fees, penalties for violations of the rules, treatment of collections for purposes of section 458 of such Act, and avoidance of duplication of effort.

(b) DEFINITIONS.—In this title:

(1) CHILD SUPPORT.—The term “child support” has the meaning given in section 459(i)(2) of the Social Security Act.

(2) PUBLIC NON-IV-D CHILD SUPPORT ENFORCEMENT AGENCY.—The term “public non-IV-D child support enforcement agency” means an agency, of a political subdivision of a State, which is principally responsible for the operation of a child support registry or for the establishment or enforcement of an obligation to pay child support other than pursuant to the State plan approved under part D of title IV of such Act, or a clerk of court office of a political subdivision of a State.

(3) SECRETARY.—The term “Secretary” means the Secretary of Health and Human Services.

(4) STATE.—The term “State” shall have the meaning given in section 1101(a)(1) of the Social Security Act for purposes of part D of title IV of such Act.

**SEC. 302. DEMONSTRATIONS INVOLVING ESTABLISHMENT AND ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS BY PUBLIC NON-IV-D CHILD SUPPORT ENFORCEMENT AGENCIES.**

(a) **PURPOSE.**—The purpose of this section is to determine the extent to which public non-IV-D child support enforcement agencies may contribute effectively to the establishment and enforcement of child support obligations.

(b) **APPLICATIONS.**—

(1) **CONSIDERATION.**—The Secretary shall consider all applications received from States desiring to conduct demonstration projects under this section.

(2) **PREFERENCES.**—In considering which applications to approve under this section, the Secretary shall give preference to applications submitted by States that had a public non-IV-D child support enforcement agency as of January 1, 2000.

(3) **APPROVAL.**—

(A) **TIMING; LIMITATION ON NUMBER OF PROJECTS.**—On July 1, 2002, the Secretary may approve not more than 10 applications for projects providing for the participation of a public non-IV-D child support enforcement agency in the establishment and enforcement of child support obligations, and, if the Secretary receives at least 5 such applications that meet such requirements as the Secretary may establish, shall approve not less than 5 such applications.

(B) **REQUIREMENTS.**—The Secretary may not approve an application for a project unless—

(i) the applicant and the Secretary have entered into a written agreement which addresses at a minimum, privacy safeguards, data security, due process rights, automated systems, liability, oversight, and fees, and the applicant has made a commitment to conduct the project in accordance with the written agreement and such other requirements as the Secretary may establish;

(ii) the project includes a research plan (but such plan shall not be required to use random assignment) that is focused on assessing the costs and benefits of the project; and

(iii) the project appears likely to contribute significantly to the achievement of the purpose of this title.

(c) **DEMONSTRATION AUTHORITY.**—On approval of an application submitted by a State under this section—

(1) the State agency responsible for administering the State plan under part D of title IV of the Social Security Act may, subject to the privacy safeguards of section 454(26) of such Act, provide to any public non-IV-D child support enforcement agency participating in the demonstration project all information in the State Directory of New Hires and any information obtained through information comparisons under section 453(j)(3) of such Act about an individual with respect to whom the public non-IV-D agency is seeking to establish or enforce a child support obligation, if the public non-IV-D agency meets such requirements as the State may establish and has entered into an agreement with the State under which the public non-IV-D agency has made a binding commitment to carry out establishment and enforcement activities with respect to the child support obligation subject to the same data security, privacy protection, and due process requirements applicable to the State agency and in accordance with procedures approved by the head of the State agency;

(2) the State agency may charge and collect fees from any such public non-IV-D agency to recover costs incurred by the State agency in providing information and services to the public non-IV-D agency under the demonstration project;

(3) if a public non-IV-D child support enforcement agency has agreed to collect past-due support (as defined in section 464(c) of such Act) owed by a named individual, and the State

agency has submitted a notice to the Secretary of the Treasury pursuant to section 464 of such Act on behalf of the public non-IV-D agency, then the Secretary of the Treasury shall consider the State agency to have agreed to collect such support for purposes of such section 464, and the State agency may collect from the public non-IV-D agency any fee which the State is required to pay for the cost of applying the offset procedure in the case;

(4) for so long as a public non-IV-D child support enforcement agency is participating in the demonstration project, the public non-IV-D agency shall be considered part of the State agency for purposes of section 469A of such Act; and

(5) for so long as a public non-IV-D child support enforcement agency is participating in the demonstration project, the public non-IV-D agency shall be considered part of the State agency for purposes of section 303(e) of such Act but only with respect to any child support obligation that the public non-IV-D agency has agreed to collect.

(d) **WAIVER AUTHORITY.**—The Secretary may waive or vary the applicability of any provision of section 303(e), 454(31), 464, 466(a)(7), 466(a)(17), and 469A of the Social Security Act to the extent necessary to enable the conduct of demonstration projects under this section, subject to the preservation of the data security, privacy protection, and due process requirements of part D of title IV of such Act.

(e) **FEDERAL AUDIT.**—

(1) **IN GENERAL.**—The Comptroller General of the United States shall conduct an audit of the demonstration projects conducted under this section for the purpose of examining and evaluating the manner in which information and enforcement tools are used by the public non-IV-D child support enforcement agencies participating in the projects.

(2) **REPORT TO THE CONGRESS.**—

(A) **IN GENERAL.**—The Comptroller General of the United States shall submit to the Congress a report on the audit required by paragraph (1).

(B) **TIMING.**—The report required by subparagraph (A) shall be so submitted not later than October 1, 2004.

(f) **SECRETARIAL REPORT TO THE CONGRESS.**—

(1) **IN GENERAL.**—The Secretary shall submit to the Congress a report on the demonstration projects conducted under this section, which shall include the results of any research or evaluation conducted pursuant to this title, and shall include policy recommendations regarding the establishment and enforcement of child support obligations by the agencies involved.

(2) **TIMING.**—The report required by paragraph (1) shall be so submitted not later than October 1, 2005.

**SEC. 303. GAO REPORT TO CONGRESS ON PRIVATE CHILD SUPPORT ENFORCEMENT AGENCIES.**

(a) **IN GENERAL.**—Not later than October 1, 2001, the Comptroller General of the United States shall submit to the Congress a report on the activities of private child support enforcement agencies that shall be designed to help the Congress determine whether the agencies are providing a needed service in a fair manner using accepted debt collection practices and at a reasonable fee.

(b) **MATTERS TO BE ADDRESSED.**—Among the matters addressed by the report required by subsection (a) shall be the following:

(1) The number of private child support enforcement agencies.

(2) The types of debt collection activities conducted by the private agencies.

(3) The fees charged by the private agencies.

(4) The methods used by the private agencies to collect fees from custodial parents.

(5) The nature and degree of cooperation the private agencies receive from State agencies responsible for administering State plans under part D of title IV of the Social Security Act.

(6) The extent to which the conduct of the private agencies is subject to State or Federal regula-

tion, and if so, the extent to which the regulations are effectively enforced.

(7) The amount of child support owed but uncollected and changes in this amount in recent years.

(8) The average period of time required for the completion of successful enforcement actions yielding collections of past-due child support by both the child support enforcement programs operated pursuant to State plans approved under part D of title IV of the Social Security Act and, to the extent known, by private child support enforcement agencies.

(9) The types of Federal and State child support enforcement remedies and resources currently available to private child support enforcement agencies, and the types of such remedies and resources now restricted to use by State agencies administering State plans referred to in paragraph (8).

(c) **PRIVATE CHILD SUPPORT ENFORCEMENT AGENCY DEFINED.**—In this section, the term “private child support enforcement agency” means a person or any other non-public entity which seeks to establish or enforce an obligation to pay child support (as defined in section 459(i)(2) of the Social Security Act).

**SEC. 304. EFFECTIVE DATE.**

This title shall take effect on the date of the enactment of this Act.

**TITLE IV—EXPANDED ENFORCEMENT**

**SEC. 401. DECREASE IN AMOUNT OF CHILD SUPPORT ARREARAGE TRIGGERING PASSPORT DENIAL.**

Section 452(k) of the Social Security Act (42 U.S.C. 652(k)) is amended by striking “\$5,000” and inserting “\$2,500”.

**SEC. 402. USE OF TAX REFUND INTERCEPT PROGRAM TO COLLECT PAST-DUE CHILD SUPPORT ON BEHALF OF CHILDREN WHO ARE NOT MINORS.**

Section 464 of the Social Security Act (42 U.S.C. 664) is amended—

(1) in subsection (a)(2)(A), by striking “(as that term is defined for purposes of this paragraph under subsection (c))”; and

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking “(1) Except as provided in paragraph (2), as used in” and inserting “In”; and

(ii) by inserting “(whether or not a minor)” after “a child” each place it appears; and

(B) by striking paragraphs (2) and (3).

**SEC. 403. GARNISHMENT OF COMPENSATION PAID TO VETERANS FOR SERVICE-CONNECTED DISABILITIES IN ORDER TO ENFORCE CHILD SUPPORT OBLIGATIONS.**

Section 459(h) of the Social Security Act (42 U.S.C. 659(h)) is amended—

(1) in paragraph (1)(A)(ii)(V), by striking all that follows “Armed Forces” and inserting a semicolon; and

(2) by adding at the end the following:

“(3) **LIMITATIONS WITH RESPECT TO COMPENSATION PAID TO VETERANS FOR SERVICE-CONNECTED DISABILITIES.**—Notwithstanding any other provision of this section:

“(A) Compensation described in paragraph (1)(A)(ii)(V) shall not be subject to withholding pursuant to this section—

“(i) for payment of alimony; or

“(ii) for payment of child support if the individual is fewer than 60 days in arrears in payment of the support.

“(B) Not more than 50 percent of any payment of compensation described in paragraph (1)(A)(ii)(V) may be withheld pursuant to this section.”

**TITLE V—FATHERHOOD PROGRAMS**

**Subtitle A—Fatherhood Grant Program**

**SEC. 501. FATHERHOOD GRANTS.**

(a) **IN GENERAL.**—Part A of title IV of the Social Security Act (42 U.S.C. 601–619) is amended by inserting after section 403 the following:

**“SEC. 403A. FATHERHOOD PROGRAMS.**

“(a) **PURPOSE.**—The purpose of this section is to make grants available to public and private entities for projects designed to—

“(1) promote marriage through counseling, mentoring, disseminating information about the advantages of marriage, enhancing relationship skills, teaching how to control aggressive behavior, disseminating information on the causes and treatment of domestic violence and child abuse, and other methods;

“(2) promote successful parenting through such activities as counseling, mentoring, disseminating information about good parenting practices including pre-pregnancy, family planning, training parents in money management, encouraging child support payments, encouraging regular visitation between fathers and their children, and other methods; and

“(3) help fathers and their families avoid or leave cash welfare provided by the program under part A and improve their economic status by providing such activities as work first services, job search, job training, subsidized employment, career-advancing education, job retention, job enhancement, and other methods.

“(b) FATHERHOOD GRANTS.—

“(1) APPLICATIONS.—An entity desiring a grant to carry out a project described in subsection (a) may submit to the Secretary an application that contains the following:

“(A) A description of the project and how the project will be carried out.

“(B) A description of how the project will address all three of the purposes of this section.

“(C) A written commitment by the entity that the project will allow an individual to participate in the project only if the individual is—

“(i) a father of a child who is, or within the past 24 months has been, a recipient of assistance or services under a State program funded under this part;

“(ii) a father, including an expectant or married father, whose income (net of court-ordered child support) is less than 150 percent of the poverty line (as defined in section 673(2) of the Omnibus Budget Reconciliation Act of 1981, including any revision required by such section, applicable to a family of the size involved);

“(iii) a parent referred to in paragraph (3)(A)(iii); or

“(iv) at risk of parenthood outside marriage, but not more than 25 percent of the participants in the project may qualify for participation under this clause.

“(D) A written commitment by the entity that the entity will provide for the project, from funds obtained from non-Federal sources, amounts (including in-kind contributions) equal in value to—

“(i) 20 percent of the amount of any grant made to the entity under this subsection; or

“(ii) such lesser percentage as the Secretary deems appropriate (which shall be not less than 10 percent) of such amount, if the application demonstrates that there are circumstances that limit the ability of the entity to raise funds or obtain resources.

“(E) A written commitment by the entity that the entity will make available to each individual participating in the project education about the causes of domestic violence and child abuse and local programs to prevent and treat abuse, education about alcohol, tobacco, and other drugs and the effects of abusing such substances, and information about sexually transmitted diseases and their transmission, including HIV/AIDS and human papillomavirus (HPV).

“(2) CONSIDERATION OF APPLICATIONS BY INTERAGENCY PANEL.—

“(A) ESTABLISHMENT.—There is established a panel to be known as the ‘Fatherhood Grants Recommendations Panel’ (in this subparagraph referred to as the ‘Panel’).

“(B) MEMBERSHIP.—

“(i) IN GENERAL.—The Panel shall be composed of 10 members, as follows:

“(I) Two members of the Panel shall be appointed by the Secretary.

“(II) Two members of the Panel shall be appointed by the Secretary of Labor.

“(III) Two members of the Panel shall be appointed by the Chairman of the Committee on

Ways and Means of the House of Representatives.

“(IV) One member of the Panel shall be appointed by the ranking minority member of the Committee on Ways and Means of the House of Representatives.

“(V) Two members of the Panel shall be appointed by the Chairman of the Committee on Finance of the Senate.

“(VI) One member of the Panel shall be appointed by the ranking minority member of the Committee on Finance of the Senate.

“(i) QUALIFICATIONS.—An individual shall not be eligible to serve on the Panel unless the individual has experience in programs for fathers, programs for the poor, programs for children, program administration, program research, or programs of domestic violence prevention and treatment.

“(iii) CONFLICTS OF INTEREST.—An individual shall not be eligible to serve on the Panel if such service would pose a conflict of interest for the individual.

“(iv) TIMING OF APPOINTMENTS.—The appointment of members to the Panel shall be completed not later than April 1, 2001.

“(C) DUTIES.—

“(i) REVIEW AND MAKE RECOMMENDATIONS ON PROJECT APPLICATIONS.—The Panel shall review all applications submitted pursuant to paragraph (1), and make recommendations to the Secretary regarding which applicants should be awarded grants under this subsection, with due regard for the provisions of paragraph (3), but shall not recommend that a project be awarded such a grant if the application describing the project does not attempt to meet the requirement of paragraph (1)(B).

“(ii) TIMING.—The Panel shall make such recommendations not later than October 1, 2001.

“(D) TERM OF OFFICE.—Each member appointed to the Panel shall serve for the life of the Panel.

“(E) PROHIBITION ON COMPENSATION.—Members of the Panel may not receive pay, allowances, or benefits by reason of their service on the Panel.

“(F) TRAVEL EXPENSES.—Each member of the Panel shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

“(G) MEETINGS.—The Panel shall meet as often as is necessary to complete the business of the Panel.

“(H) CHAIRPERSON.—The Chairperson of the Panel shall be designated by the Secretary at the time of appointment.

“(I) STAFF OF FEDERAL AGENCIES.—The Secretary may detail any personnel of the Department of Health and Human Services and the Secretary of Labor may detail any personnel of the Department of Labor to the Panel to assist the Panel in carrying out its duties under this paragraph.

“(J) OBTAINING OFFICIAL DATA.—The Panel may secure directly from any department or agency of the United States information necessary to enable it to carry out this paragraph. On request of the Chairperson of the Panel, the head of the department or agency shall furnish that information to the Panel.

“(K) MAILS.—The Panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

“(L) TERMINATION.—The Panel shall terminate on October 1, 2001.

“(3) RULES GOVERNING GRANTS.—

“(A) GRANT AWARDS.—

“(i) IN GENERAL.—The Secretary shall award matching grants, on a competitive basis, among entities submitting applications therefor which meet the requirements of paragraph (1), in amounts that take into account the written commitments referred to in paragraph (1)(D).

“(ii) TIMING.—On October 1, 2001, the Secretary shall award not more than \$140,000,000 in

matching grants after considering the recommendations submitted pursuant to paragraph (2)(C)(i).

“(iii) NONDISCRIMINATION.—The provisions of this section shall be applied and administered so as to ensure that mothers, expectant mothers, and married mothers are eligible for benefits and services under projects awarded grants under this section on the same basis as fathers, expectant fathers, and married fathers.

“(B) PREFERENCES.—In determining which entities to which to award grants under this subsection, the Secretary shall give preference to an entity—

“(i) to the extent that the application submitted by the entity sets forth clear and practical methods to encourage and sustain marriage;

“(ii) to the extent that the application submitted by the entity describes actions that the entity will take that are designed to encourage or facilitate the payment of child support, including but not limited to—

“(I) obtaining a written commitment by the agency responsible for administering the State plan approved under part D for the State in which the project is to be carried out that the State will voluntarily cancel child support arrearages owed to the State by the father as a result of the father providing various supports to the family such as maintaining a regular child support payment schedule living with his children or marrying the mother of his children, unless the father has been convicted of a crime involving domestic violence or child abuse;

“(II) obtaining a written commitment by the entity that the entity will help participating fathers who cooperate with the agency in improving their credit rating; and

“(III) helping fathers arrange and maintain a consistent schedule of visits with their children, unless it would be unsafe;

“(iii) to the extent that the application includes written agreements of cooperation with other private and governmental agencies, including the State or local program funded under this part, the local Workforce Investment Board, the State or local program funded under part D, community-based domestic violence programs, and the State or local program funded under part E, which should include a description of the services each such agency will provide to fathers participating in the project described in the application;

“(iv) to the extent that the application describes a project that will enroll a high percentage of project participants within 6 months before or after the birth of the child; or

“(v) to the extent that the application sets forth clear and practical methods by which fathers will be recruited to participate in the project.

“(C) MINIMUM PERCENTAGE OF RECIPIENTS OF GRANT FUNDS TO BE NONGOVERNMENTAL (INCLUDING FAITH-BASED) ORGANIZATIONS.—Not less than 75 percent of the entities awarded grants under this subsection in each fiscal year (other than entities awarded such grants pursuant to the preferences required by subparagraph (B)) shall be awarded to—

“(i) nongovernmental (including faith-based) organizations; or

“(ii) governmental organizations that pass through to organizations referred to in clause (i) at least 50 percent of the amount of the grant.

“(D) DIVERSITY OF PROJECTS.—

“(i) IN GENERAL.—In determining which entities to which to award grants under this subsection, the Secretary shall attempt to achieve a balance among entities of differing sizes, entities in differing geographic areas, entities in urban versus rural areas, and entities employing differing methods of achieving the purposes of this section.

“(ii) REPORT TO THE CONGRESS.—Within 90 days after each award of grants under subparagraph (A)(ii), the Secretary shall submit to the Committee on Ways and Means of the House of

Representatives and the Committee on Finance of the Senate a brief report on the diversity of projects selected to receive funds under the grant program. The report shall include a comparison of funding for projects located in urban areas, projects located in suburban areas, and projects located in rural areas.

“(E) PAYMENT OF GRANT IN FOUR EQUAL ANNUAL INSTALLMENTS.—During the fiscal year in which a grant is awarded under this subsection and each of the succeeding three fiscal years, the Secretary shall provide to the entity awarded the grant an amount equal to ¼ of the amount of the grant.

“(4) USE OF FUNDS.—

“(A) IN GENERAL.—Each entity to which a grant is made under this section shall use grant funds provided under this section in accordance with the application requesting the grant, the requirements of this section, and the regulations prescribed under this section, and may use grant funds to support community-wide initiatives to address the purposes of this section, but may not use grant funds for court proceedings on matters of child visitation or child custody or for legislative advocacy.

“(B) NONDISPLACEMENT.—

“(i) IN GENERAL.—An adult in a work activity described in section 407(d) which is funded, in whole or in part, by funds provided under this section shall not be employed or assigned—

“(I) when any other individual is on layoff from the same or any substantially equivalent job; or

“(II) if the employer has terminated the employment of any regular employee or otherwise caused an involuntary reduction of its workforce in order to fill the vacancy so created with such an adult.

“(ii) GRIEVANCE PROCEDURE.—

“(I) IN GENERAL.—Complaints alleging violations of clause (i) in a State may be resolved—

“(aa) if the State has established a grievance procedure under section 403(a)(5)(I)(iv), pursuant to the grievance procedure; or

“(bb) otherwise, pursuant to the grievance procedure established by the State under section 407(f)(3).

“(II) FORFEITURE OF GRANT IF GRIEVANCE PROCEDURE NOT AVAILABLE.—If a complaint referred to in subclause (I) is made against an entity to which a grant has been made under this section with respect to a project, and the complaint cannot be brought to, or cannot be resolved within 90 days after being brought, by a grievance procedure referred to in subclause (I), then the entity shall immediately return to the Secretary all funds provided to the entity under this section for the project, and the Secretary shall immediately rescind the grant.

“(C) RULE OF CONSTRUCTION.—This section shall not be construed to require the participation of a father in a project funded under this section to be discontinued by the project on the basis of changed economic circumstances of the father.

“(D) RULE OF CONSTRUCTION ON MARRIAGE.—This section shall not be construed to authorize the Secretary to define marriage for purposes of this section.

“(E) PENALTY FOR MISUSE OF GRANT FUNDS.—If the Secretary determines that an entity to which a grant is made under this subsection has used any amount of the grant in violation of subparagraph (A), the Secretary shall require the entity to remit to the Secretary an amount equal to the amount so used, plus all remaining grant funds, and the entity shall thereafter be ineligible for any grant under this subsection.

“(F) REMITTANCE OF UNUSED GRANT FUNDS.—Each entity to which a grant is awarded under this subsection shall remit to the Secretary all funds paid under the grant that remain at the end of the fifth fiscal year ending after the initial grant award.

“(5) AUTHORITY OF AGENCIES TO EXCHANGE INFORMATION.—Each agency administering a program funded under this part or a State plan ap-

proved under part D may share the name, address, telephone number, and identifying case number information in the State program funded under this part, of fathers for purposes of assisting in determining the eligibility of fathers to participate in projects receiving grants under this section, and in contacting fathers potentially eligible to participate in the projects, subject to all applicable privacy laws.

“(6) EVALUATION.—The Secretary, in consultation with the Secretary of Labor, shall, directly or by grant, contract, or interagency agreement, conduct an evaluation of projects funded under this section (other than under subsection (c)(1)). The evaluation shall assess, among other outcomes selected by the Secretary, effects of the projects on marriage, parenting, employment, earnings, payment of child support, and incidence of domestic violence and child abuse. In selecting projects for the evaluation, the Secretary should include projects that, in the Secretary's judgment, are most likely to impact the matters described in the purposes of this section. In conducting the evaluation, random assignment should be used wherever possible.

“(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out this subsection.

“(8) LIMITATION ON APPLICABILITY OF OTHER PROVISIONS OF THIS PART.—Sections 404 through 410 shall not apply to this section or to amounts paid under this section, and shall not be applied to an entity solely by reason of receipt of funds pursuant to this section. A project shall not be considered a State program funded under this part solely by reason of receipt of funds paid under this section.

“(9) FUNDING.—

“(A) IN GENERAL.—

“(i) INTERAGENCY PANEL.—Of the amounts made available pursuant to section 403(a)(1)(E) to carry out this section for fiscal year 2001, a total of \$150,000 shall be made available for the interagency panel established by paragraph (2) of this subsection.

“(ii) GRANTS.—Of the amounts made available pursuant to section 403(a)(1)(E) to carry out this section for fiscal years 2002 through 2005, a total of \$140,000,000 shall be made available for grants under this subsection.

“(iii) EVALUATION.—Of the amounts made available pursuant to section 403(a)(1)(E) to carry out this section for fiscal years 2001 through 2006, a total of \$6,000,000 shall be made available for the evaluation required by paragraph (6) of this subsection.

“(B) AVAILABILITY.—

“(i) GRANT FUNDS.—The amounts made available pursuant to subparagraph (A)(ii) shall remain available until the end of fiscal year 2006.

“(ii) EVALUATION FUNDS.—The amounts made available pursuant to subparagraph (A)(iii) shall remain available until the end of fiscal year 2008.”

(b) FUNDING.—Section 403(a)(1)(E) of such Act (42 U.S.C. 603(a)(1)(E)) is amended by inserting “; and for fiscal years 2001 through 2007, such sums as are necessary to carry out section 403A” before the period.

(c) APPLICABILITY OF CHARITABLE CHOICE PROVISIONS OF WELFARE REFORM.—Section 104 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (42 U.S.C. 604a) is amended by adding at the end the following:

“(1) Notwithstanding the preceding provisions of this section, this section shall apply to any entity to which funds have been provided under section 403A of the Social Security Act in the same manner in which this section applies to States, and, for purposes of this section, any project for which such funds are so provided shall be considered a program described in subsection (a)(2).”

### Subtitle B—Fatherhood Projects of National Significance

#### SEC. 511. FATHERHOOD PROJECTS OF NATIONAL SIGNIFICANCE.

Section 403A of the Social Security Act, as added by subtitle A of this title, is amended by adding at the end the following:

“(c) FATHERHOOD PROJECTS OF NATIONAL SIGNIFICANCE.—

“(1) NATIONAL CLEARINGHOUSE.—The Secretary shall award a \$5,000,000 grant to a nationally recognized, nonprofit fatherhood promotion organization with at least 4 years of experience in designing and disseminating a national public education campaign, including the production and successful placement of television, radio, and print public service announcements which promote the importance of responsible fatherhood, and with at least 4 years experience providing consultation and training to community-based organizations interested in implementing fatherhood outreach, support, or skill development programs with an emphasis on promoting married fatherhood as the ideal, to—

“(A) develop, promote, and distribute to interested States, local governments, public agencies, and private nonprofit organizations, including charitable and religious organizations, a media campaign that encourages the appropriate involvement of both parents in the life of any child of the parents, and encourages such organizations to develop or sponsor programs that specifically address the issue of responsible fatherhood and the advantages conferred on children by marriage;

“(B) develop a national clearinghouse to assist States, communities, and private entities in efforts to promote and support marriage and responsible fatherhood by collecting, evaluating, and making available (through the Internet and by other means) to all interested parties, information regarding media campaigns and fatherhood programs;

“(C) develop and distribute materials that are for use by entities described in subparagraph (A) or (B) and that help young adults manage their money, develop the knowledge and skills needed to promote successful marriages, plan for future expenditures and investments, and plan for retirement;

“(D) develop and distribute materials that are for use by entities described in subparagraphs (A) and (B) and that list all the sources of public support for education and training that are available to young adults, including government spending programs as well as benefits under Federal and State tax laws; and

“(E) develop and distribute materials that are for use by entities described in subparagraphs (A) and (B) and that provide information on domestic violence and child abuse prevention and treatment.

“(2) MULTICITY FATHERHOOD PROJECTS.—

“(A) IN GENERAL.—The Secretary shall award a \$5,000,000 grant to each of two nationally recognized nonprofit fatherhood promotion organizations which meet the requirements of subparagraph (B), at least one of which organizations meets the requirement of subparagraph (C).

“(B) REQUIREMENTS.—The requirements of this subparagraph are the following:

“(i) The organization must have several years of experience in designing and conducting programs that meet the purposes described in paragraph (1).

“(ii) The organization must have experience in simultaneously conducting such programs in more than one major metropolitan area and in coordinating such programs with local government agencies and private, nonprofit agencies, including State or local agencies responsible for conducting the program under part D and Workforce Investment Boards.

“(iii) The organization must submit to the Secretary an application that meets all the conditions applicable to the organization under this

section and that provides for projects to be conducted in three major metropolitan areas.

“(C) USE OF MARRIED COUPLES TO DELIVER SERVICES IN THE INNER CITY.—The requirement of this subparagraph is that the organization has extensive experience in using married couples to deliver program services in the inner city.

“(3) PAYMENT OF GRANTS IN FOUR EQUAL ANNUAL INSTALLMENTS.—During each of fiscal years 2002 through 2005, the Secretary shall provide to each entity awarded a grant under this subsection an amount equal to ¼ of the amount of the grant.

“(4) FUNDING.—

“(A) IN GENERAL.—Of the amounts made available pursuant to section 403(a)(1)(E) to carry out this section, \$3,750,000 shall be made available for grants under this subsection for each of fiscal years 2002 through 2005.

“(B) AVAILABILITY.—The amounts made available pursuant to subparagraph (A) shall remain available until the end of fiscal year 2005.”

#### TITLE VI—MISCELLANEOUS

##### SEC. 601. CHANGE DATES FOR ABSTINENCE EVALUATION.

(a) IN GENERAL.—Section 403(a)(5)(G)(iii) of the Social Security Act (42 U.S.C. 603(a)(5)(G)(iii)), as amended by section 606(a) of this Act, is amended by striking “2001” and inserting “2005”.

(b) INTERIM REPORT REQUIRED.—Section 403(a)(5)(G) of such Act (42 U.S.C. 603(a)(5)(G)), as so amended, is amended by adding at the end the following:

“(iv) INTERIM REPORT.—Not later than January 1, 2002, the Secretary shall submit to the Congress an interim report on the evaluations referred to in clause (i).”

##### SEC. 602. REPORT ON UNDISTRIBUTED CHILD SUPPORT PAYMENTS.

Not later than 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the procedures that the States use generally to locate custodial parents for whom child support has been collected but not yet distributed due to a change in address. The report shall include an estimate of the total amount of such undistributed child support and the average length of time it takes for such child support to be distributed. The Secretary shall include in the report recommendations as to whether additional procedures should be established at the State or Federal level to expedite the payment of undistributed child support.

##### SEC. 603. USE OF NEW HIRE INFORMATION TO ASSIST IN ADMINISTRATION OF UNEMPLOYMENT COMPENSATION PROGRAMS.

(a) IN GENERAL.—Section 453(j) of the Social Security Act (42 U.S.C. 653(j)) is amended by adding at the end the following:

“(7) INFORMATION COMPARISONS AND DISCLOSURE TO ASSIST IN ADMINISTRATION OF UNEMPLOYMENT COMPENSATION PROGRAMS.—

“(A) IN GENERAL.—If a State agency responsible for the administration of an unemployment compensation program under Federal or State law transmits to the Secretary the name and social security account number of an individual, the Secretary shall, if the information in the National Directory of New Hires indicates that the individual may be employed, disclose to the State agency the name, address, and employer identification number of any putative employer of the individual, subject to this paragraph.

“(B) CONDITION ON DISCLOSURE.—The Secretary shall make a disclosure under subparagraph (A) only to the extent that the Secretary determines that the disclosure would not interfere with the effective operation of the program under this part.

“(C) USE OF INFORMATION.—A State agency may use information provided under this para-

graph only for purposes of administering a program referred to in subparagraph (A).”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2000.

##### SEC. 604. IMMIGRATION PROVISIONS.

(a) NONIMMIGRANT ALIENS INELIGIBLE TO RECEIVE VISAS AND EXCLUDED FROM ADMISSION FOR NONPAYMENT OF CHILD SUPPORT.—

(1) IN GENERAL.—Section 212(a)(10) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(10)) is amended by adding at the end the following:

“(F) NONPAYMENT OF CHILD SUPPORT.—

“(i) IN GENERAL.—Any nonimmigrant alien is inadmissible who is legally obligated under a judgment, decree, or order to pay child support (as defined in section 459(i) of the Social Security Act), and whose failure to pay such child support has resulted in an arrearage exceeding \$2,500, until child support payments under the judgment, decree, or order are satisfied or the nonimmigrant alien is in compliance with an approved payment agreement.

“(ii) WAIVER AUTHORIZED.—The Attorney General may waive the application of clause (i) in the case of an alien, if the Attorney General—

“(1) has received a request for the waiver from the court or administrative agency having jurisdiction over the judgment, decree, or order obligating the alien to pay child support that is referred to in such clause; or

“(II) determines that there are prevailing humanitarian or public interest concerns.”

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect 180 days after the date of the enactment of this Act.

(b) AUTHORIZATION TO SERVE LEGAL PROCESS IN CHILD SUPPORT CASES ON CERTAIN ARRIVING ALIENS.—

(1) IN GENERAL.—Section 235(d) of the Immigration and Nationality Act (8 U.S.C. 1225(d)) is amended by adding at the end the following:

“(5) AUTHORITY TO SERVE PROCESS IN CHILD SUPPORT CASES.—

“(A) IN GENERAL.—To the extent consistent with State law, immigration officers are authorized to serve on any alien who is an applicant for admission to the United States legal process with respect to any action to enforce or establish a legal obligation of an individual to pay child support (as defined in section 459(i) of the Social Security Act).

“(B) DEFINITION.—For purposes of subparagraph (A), the term ‘legal process’ means any writ, order, summons or other similar process, which is issued by—

“(i) a court or an administrative agency of competent jurisdiction in any State, territory, or possession of the United States; or

“(ii) an authorized official pursuant to an order of such a court or agency or pursuant to State or local law.”

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to aliens applying for admission to the United States on or after 180 days after the date of the enactment of this Act.

(c) AUTHORIZATION TO SHARE CHILD SUPPORT ENFORCEMENT INFORMATION TO ENFORCE IMMIGRATION AND NATURALIZATION LAW.—

(1) SECRETARIAL RESPONSIBILITY.—Section 452 of the Social Security Act (42 U.S.C. 652) is amended by adding at the end the following:

“(m) If the Secretary receives a certification by a State agency, in accordance with section 454(35), that an individual who is a nonimmigrant alien (as defined in section 101(a)(15) of the Immigration and Nationality Act) owes arrearages of child support in an amount exceeding \$2,500, the Secretary may, at the request of the State agency, the Secretary of State, or the Attorney General, or on the Secretary’s own initiative, provide such certification to the Secretary of State and the Attorney General information in order to enable them to carry out

their responsibilities under sections 212(a)(10) and 235(d) of such Act.”

(2) STATE AGENCY RESPONSIBILITY.—Section 454 of the Social Security Act (42 U.S.C. 654), as amended by section 101(c) of this Act, is amended—

(A) by striking “and” at the end of paragraph (33);

(B) by striking the period at the end of paragraph (34) and inserting “; and”; and

(C) by inserting after paragraph (34) the following:

“(35) provide that the State agency will have in effect a procedure for certifying to the Secretary, in such format and accompanied by such supporting documentation as the Secretary may require, determinations that nonimmigrant aliens owe arrearages of child support in an amount exceeding \$2,500.”

##### SEC. 605. CORRECTION OF ERRORS IN CONFORMING AMENDMENTS IN THE WELFARE-TO-WORK AND CHILD SUPPORT AMENDMENTS OF 1999.

The amendments made by section 2402 of Public Law 106-246 shall take effect as if included in the enactment of section 806 of H.R. 3424 of the 106th Congress by section 1000(a)(4) of Public Law 106-113.

##### SEC. 606. ELIMINATION OF SET-ASIDE OF WELFARE-TO-WORK FUNDS FOR SUCCESSFUL PERFORMANCE BONUS.

(a) IN GENERAL.—Section 403(a)(5) of the Social Security Act (42 U.S.C. 603(a)(5)) is amended by striking subparagraph (E) and redesignating subparagraphs (F) through (K) as subparagraphs (E) through (J), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 403(a)(5)(A)(i) of such Act (42 U.S.C. 603(a)(5)(A)(i)) is amended by striking “subparagraph (I)” and inserting “subparagraph (H)”.

(2) Subclause (I) of each of subparagraphs (A)(iv) and (B)(v) of section 403(a)(5) of such Act (42 U.S.C. 603(a)(5)(A)(iv)(I) and (B)(v)(I)) is amended—

(A) in item (aa)—

(i) by striking “(I)” and inserting “(H)”;

(ii) by striking “(G), and (H)” and inserting “and (G)”;

(B) in item (bb), by striking “(F)” and inserting “(E)”.

(3) Section 403(a)(5)(B)(v) of such Act (42 U.S.C. 603(a)(5)(B)(v)) is amended in the matter preceding subclause (I) by striking “(I)” and inserting “(H)”.

(4) Subparagraphs (E) and (F) of section 403(a)(5) of such Act (42 U.S.C. 603(a)(5)(E) and (F)), as so redesignated by subsection (a) of this section, are each amended by striking “(I)” and inserting “(H)”.

(5) Section 412(a)(3)(A) of such Act (42 U.S.C. 612(a)(3)(A)) is amended by striking “403(a)(5)(I)” and inserting “403(a)(5)(H)”.

(c) FUNDING.—Section 403(a)(5)(I)(i)(II) of such Act (42 U.S.C. 603(a)(5)(I)(i)(II)) is amended by striking “\$1,450,000,000” and inserting “\$1,400,000,000”.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

##### SEC. 607. INCREASE IN PAYMENT RATE TO STATES FOR EXPENDITURES FOR SHORT TERM TRAINING OF STAFF OF CERTAIN CHILD WELFARE AGENCIES.

Section 474(a)(3)(B) of the Social Security Act (42 U.S.C. 674(a)(3)(B)) is amended by inserting “, or State-licensed or State-approved child welfare agencies providing services,” after “child care institutions”.

#### TITLE VII—EFFECTIVE DATE

##### SEC. 701. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in sections 101(e), 304, 603(b), 605(b) and 606, and in subsection (b) of this section, this Act and the amendments made by this Act shall take effect on October 1, 2001, and shall apply to payments

under part D of title IV of the Social Security Act for calendar quarters beginning on or after such date, and without regard to whether regulations to implement such amendments are promulgated by such date.

(b) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—In the case of a State plan approved under section 454 of the Social Security Act which requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this Act, the State plan shall not be regarded as failing to comply with the additional requirements solely on the basis of the failure of the plan to meet the additional requirements before the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

The SPEAKER pro tempore. After 1 hour of debate on the bill, as amended, it shall be in order to consider a further amendment printed in part B of the report if offered by the gentleman from Virginia (Mr. SCOTT) or his designee, which shall be considered read, and shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent.

The gentlewoman from Connecticut (Mrs. JOHNSON) and the gentleman from Maryland (Mr. CARDIN) each will control 30 minutes of debate on the bill.

The Chair recognizes the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself such time as I may consume.

(Mrs. JOHNSON of Connecticut asked and was given permission to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Mr. Speaker, I begin by expressing my appreciation to my colleague and ranking member, the gentleman from Maryland (Mr. CARDIN), and his very capable staff. This bill we bring before the House today was fashioned in some of its most significant sections by the gentleman's hard work and insight, and I thank him.

I also want to thank my colleagues on the Conservative Action Team, who have helped us strengthen the marriage provisions in the fatherhood program that is such a vital part of this legislation. The gentleman from Oklahoma (Mr. COBURN) and his associates have worked with us in good faith and have improved this bill both by changing the procedure under which it is being debated and by adding excellent provisions to the bill.

The 1996 welfare reform law has been one of the greatest social policy successes of the last half century. Due in great measure to this legislation and excellent reforms in the earned income credit, Medicaid child care, and other programs that support working families, work by single mothers, and especially never-married single mothers has increased in the last 5 years to its

highest level ever. The result, according to a broad Census Bureau measure of poverty, is that we have reduced child poverty by nearly 30 percent in the last 5 years. We have reduced child poverty by nearly 30 percent in the last 5 years. This is a historic achievement made possible by legislation that originated in this body.

Welfare reform has put us on the right track. But many of these single mothers and their children are struggling on extremely low incomes. Those who used to be on welfare are now in the workforce, but all too often their day-to-day personal struggle is nothing short of heroic. They work hard to juggle transportation, child care, work, and family time. It is a big job and millions of women are tackling it with determination and grit. So we come before our colleagues today with a proposal to ensure that these mothers who have left welfare get all the help they deserve. Under this bill they will get to keep more of the child support money the fathers of their children are paying.

It is time to modernize the child support system's connection with welfare and require that a woman get 100 percent of the father's child support payment as she leaves welfare. That is exactly what this bill does. When fully implemented, this legislation will provide young mothers leaving welfare with an additional \$700 million per year. That is \$3.5 billion over 5 years. And every penny of it comes from child support payments made by fathers.

In addition, this bill allows States to pass along child support through to the family while the family is still on welfare. This will encourage the development of the bond between the non-custodial parent in the family, help them develop an understanding of their economic ties, and better prepare families for the transfer off of welfare. Remember, if they understand the economic ties that bind, they are going to be better positioned to develop the emotional ties that bind and on which life depends.

Of course, the best solution for these single mothers and their children would be to form two-parent families through marriage. We now have overwhelming evidence from research that marriage is good for health and happiness of both mothers and fathers, but the greatest beneficiaries of marriage are the children. Thus, as part of a very balanced package we bring to the floor today, we propose to fund small-scale community and faith-based projects throughout the Nation to promote marriage and better parenting by low-income fathers whose children are on welfare and to help them improve their economic circumstances.

I know that many in this body doubt that government should be involved in promoting marriage, so I urge them to consider how our proposal would work. We want to provide seed money to help faith-based and other community organizations tackle this vital job. Sev-

enty-five percent of the funds must support nongovernmental organizations. So we are not creating a new government program and bureaucracy. Government is simply a mechanism to help private organizations perform this important work.

Let me also mention the legitimate concern of some that women could be pressured into violent relationships. In this bill we have added many provisions to assure that domestic violence and child abuse are prevented and, when necessary, that referrals are made to local services to help families in which violence is occurring.

But we must in good conscience build on the important fact discovered through welfare reform. Because of its paternity determination requirements, we now know that 80 percent of the adults having out-of-wedlock children are serious about their relationship and believe it will be lasting. That is simply astounding. And we did not know that before welfare reform was implemented. Yet, after 2 years, after 2 years, most fathers are out of the picture. This bill will help many poor young men and women, more than half of whom live together when the child is born, and as I said, 80 percent of whom say they hope to form a lasting relationship, to fulfill that dream through education and support.

These young people are poor. They often live in dangerous communities, lack economic prowess, and have few role models to follow to help them form stable, lasting marriages. These young couples face long odds. This bill will help them. It will help them work toward marriage; it will help them work toward becoming better parents and work toward economic advancement. For example, we will now provide the same help in getting a job to the fathers of children on welfare as we do to mothers on welfare. In other areas we will provide some of the education that has so helped women to their male partners. It is just common sense.

This bill will move us a dramatic step forward in helping our poorest young people help themselves by making sure that child support money stays in the family. This will help young mothers to avoid or get off welfare, and bring young fathers and their children closer together.

The fatherhood provisions of this bill promote more responsible behavior by fathers, including marriage, better parenting, and work. Through the fatherhood demonstration grants and the child support distribution reforms, we will bring our Nation a giant step forward on that path to building strong families and helping our poorest young people and children realize their dreams.

Again, I thank my colleague, the gentleman from Maryland (Mr. CARDIN), for his very significant contribution to this family-strengthening bipartisan legislation. Today we advance the agenda of personal responsibility and strengthen the family ties

on which the well-being of our children depends.

Mr. Speaker, I reserve the balance of my time.

□ 1200

Mr. CARDIN. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Texas (Mr. BENTSEN).

(Mr. BENTSEN asked and was given permission to revise and extend his remarks.)

Mr. BENTSEN. Mr. Speaker, I thank my colleague from Maryland for yielding me the time.

Mr. Speaker, I want to commend the author of the bill, the gentlewoman from Connecticut (Mrs. JOHNSON), who has been the leader in this effort.

I rise in strong support of H.R. 4678, the Child Support Distribution Act, a measure that promises to boost more families out of poverty and seeks to remedy the serious trend of fatherlessness.

Over the past 40 years, the number of children living in households without fathers has tripled from just over five million in 1960 to 17 million today. This void has repercussions not only on the financial stability of the child but also on the child's emotional well-being and moral development.

Statistics show that, without fathers in their lives, children are five times more likely to live in poverty, two times more likely to commit crimes, over twice as likely to abuse alcohol or drugs, and more likely to become pregnant as teenagers.

I am dedicated to strengthening the family. As a parent, I believe it to be my responsibility to teach my own daughters values and ethics by which to live. H.R. 4678 encourages responsible fatherhood by establishing a fatherhood grant program that would fund public and private fatherhood programs for fiscal years 2001 through 2007.

H.R. 4678 would fund fatherhood programs that promote successful parenting by not only teaching parenting skills and encouraging healthy child-parent relationships but also deliver job training to fathers to help break the cycle of poverty.

Additionally, and equally as important, under H.R. 4678, children would benefit from more child support collected by the States on their behalf. For families leaving welfare, H.R. 4678 would compel States to distribute all arrears before the State could receive any arrears owed to it for the period the family collected welfare.

Under current law, a family that leaves welfare only receives 50 percent of any past due child support payments. H.R. 4678 will also provide States with an option to pass the entire child support payment on to the family on welfare. Presently, States keep the child support payment and split the payment evenly with the Federal Government.

Under H.R. 4678, \$3.5 billion in additional child support would be provided

to needy children over a 5-year period and \$5 billion over the decade.

Mr. Speaker, as a father, I find it hard to believe that some would fail to honor their obligation to support their own children. But the sad truth as we know it is that far too many become deadbeat parents and far too often the children are pushed into poverty.

We in Congress began the effort to aid the States in child support enforcement through the welfare reform legislation that the gentlewoman from Connecticut (Mrs. JOHNSON) spoke of which we passed in 1996 with my support; and we should continue this important task by passing this bill, H.R. 4678, the Child Support Distribution Act, today.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to my colleague, the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Speaker, this is a great day. I want to thank the gentlewoman from Connecticut (Mrs. JOHNSON) for her leadership and my friend the gentleman from Maryland (Mr. CARDIN) for his leadership in crafting a bipartisan bill.

I think back to 1994, when I had the privilege of being elected to this body, and at that time there were more children living in poverty than ever before. As a result of the welfare reform efforts led by this Congress, we have now seen a reduction by one-half of our Nation's welfare rolls.

This legislation addressing fatherhood and families and strengthening families is a continued positive, successful step forward. That is why I want to commend the chairwoman and the ranking member for this effort.

I also want to thank the committee for including an amendment that was offered by the gentlewoman from Florida (Mrs. THURMAN) and myself which treats more fairly private organizations such as Catholic charities and Jewish Welfare League and others who serve in providing foster care and other child care services under the programs in this legislation.

Under current law, the Federal Government provides a 75 percent matching rate for funds spent training public child welfare workers. But that match is not there for those private workers through Catholic charities and other organizations.

Our amendment, which was included in this legislation, brings parity to the treatment of both public and private workers involved in child welfare.

I would point out that in my home State of Illinois the majority of our programs the majority of the children are served by private organizations such as Catholic charities. In fact, 80 percent of foster care services are offered by private child welfare agencies.

Florida is moving towards a 100 percent completely private system. New York and Kansas are also heavily dependent on this. And that is why this legislation is so important.

Our legislation provides parity by providing that same equal 75 percent

match for training programs. And it is the right thing to do. If we want to list the private sector, we need to treat the private sector fairly and equally with the public sector. Those who benefit the most, of course, are the children who are served. Because a trained workforce results not only in better care for children but strengthening of our families.

Mr. CARDIN. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from Michigan (Mr. LEVIN), a senior member of the Committee on Ways and Means, the former ranking member of the Subcommittee on Human Resources, and a person who has been extremely active on child support issues.

Mr. LEVIN. Mr. Speaker, I thank my colleague for yielding me the time.

Mr. Speaker, I rise in strong support of this bill; and I congratulate the leadership of the subcommittee, the gentlewoman from Connecticut (Mrs. JOHNSON) and the gentleman from Maryland (Mr. CARDIN), for all of their hard work on this.

This bill, in a few words, will improve life for the millions of poor children. It would seem obvious that the essential purpose of our child support enforcement program should be to collect child support for children who need it.

Thirteen and a half million children in the U.S., almost 20 percent, currently live in poverty. One-third of children in single-parent families are poor. And those children are half again as likely to be poor if they do not receive child support.

Unfortunately, under current law, the top priority of our child support enforcement system is to reimburse States for past welfare costs.

In my home State of Michigan, we collect over \$160 million a year in child support owed to children who have received welfare at some point. These children and their families are among the poorest in the State. But the vast majority of the child support money we collect in the State does not go to improve their lives.

Instead, over \$60 million is paid to the Federal Government and almost \$70 million goes directly into the State treasury. Most of the rest is used to pay administrative costs or to reimburse the State for health benefits provided to the families. Little of it goes to the kids who need it.

This policy deprives poor children of needed income and creates a disincentive for their fathers to pay support. The legislation we are considering today would put kids first in the child support system. I believe that this legislation will reduce child poverty, and that is such an essential task.

Child support income is more than a fourth of the household budget for the average family that receives child support. The only source of income that is larger is the parent's income from work. Research shows that single parents who receive child support are more likely to work than those who do

not. The child support income would allow these parents to forgo second and third jobs to try to keep their families afloat.

Our work, though, on child support is far from over. Nationwide, less than a third of eligible families receive child support now. In Michigan, which has a better-than-average child support enforcement structure, barely half of eligible families receive any child support at all. Almost 200,000 mothers and their children receive zero.

Child support collections through the Federal child support enforcement system have increased since the 1996 Welfare Reform Act. It gave child support collectors new tools, like the ability to suspend driver's licenses. But clearly we still have much work to do in this area. But this bill is an important further step, one that will improve the quality of life for millions of poor children.

I say this in tribute to the work of the gentlewoman from Connecticut (Mrs. JOHNSON) and the gentleman from Maryland (Mr. CARDIN) and everybody else over the years, some of the Members who are not here today in this Congress who have worked on this important area.

We should pass this legislation and put children first in our child support system.

Mrs. JOHNSON of Connecticut. Mr. Speaker, it is my privilege to yield 2 minutes to the gentleman from Pennsylvania (Mr. GOODLING), the chairman of the Committee on Education and the Workforce, who has provided extraordinary leadership for families and children.

Mr. GOODLING. Mr. Speaker, I thank the gentlewoman for yielding me the time.

Mr. Speaker, I rise in support of H.R. 4678, the Child Support Distribution Act of 2000. I commend the gentlewoman from Connecticut (Chairman JOHNSON) for her active work on this bipartisan legislation.

Mr. Speaker, I am especially pleased with those provisions of this act that promote marriage, fatherhood and strong families.

Prior to recess, the body passed a resolution by the gentleman from Pennsylvania (Mr. PITTS) on the importance of each of these areas. Some of the points in that resolution are worth repeating I think.

In 1998, 1.2 million babies, or 33 percent of all newborns, were born out of wedlock.

According to a 1996 Gallup Poll, 79.1 percent of Americans believe the most significant family or social problem facing America is the physical absence of the father from the home and the resulting lack of involvement of fathers in the rearing and development of their children.

According to the Bureau of the Census, in 1996, almost 17 million children in the United States, one-fourth of all children in the United States, lived in families where the father was absent.

The United States is now the world's leader in fatherless families, according to the United States Bureau of the Census.

Mr. Speaker, as a Nation, we must focus more attention on addressing these issues. This legislation is a step in the right direction.

Specifically, the fatherhood program included under this child support act provides a source of funding for local communities to carry out programs designed to strengthen families. This includes programs that disseminate information about the advantages of marriage and promote marriage through mentoring and provide classes on how to control aggressive behavior, that train parents in money management, and programs that help fathers and their families break free of reliance upon welfare.

Again, I commend the gentlewoman from Connecticut (Mrs. JOHNSON) for her commitment in this area.

Mr. CARDIN. Mr. Speaker, I am pleased to yield 3 minutes to the gentlewoman from California (Ms. WOOLSEY) who has been one of our real champions on helping us understand the issues concerning child support and who has done a great job in helping our committee.

Ms. WOOLSEY. Mr. Speaker, I rise in support of H.R. 4678. I commend my colleagues the gentlewoman from Connecticut (Mrs. JOHNSON) and the gentleman from Maryland (Mr. CARDIN) for their efforts to improve our country's child support system.

As many of my colleagues are aware, I know firsthand the importance of child support. Thirty years ago, I was a single, working mom with three young children. In fact, my children were 1, 3, and 5 years old. My children's father did not pay court-ordered child support, and my salary alone was not enough to make ends meet.

As a result, we were forced to go on welfare. Had we received child support, we would not have been on welfare.

Today millions of American families still rely on welfare for the exact same reason, a deadbeat parent. That was not fair to my family 30 years ago. It is not fair to families today. And it is certainly not fair to the American taxpayers. But it is also not fair when child support is paid and the family never sees a penny because the State and the Federal Government keeps it.

This bill before us today will change that.

The CBO estimates that the improved "pass through" provisions in H.R. 4678 will get more than \$1 billion of child support every year into low-income families and help children in need.

It is hard being a kid today, so we must show them that they are important. Kids who know that their dads and moms care enough to see that there is food on the table and shoes on their feet get the message loud and clear: they are cared about and that they matter.

While it is not a perfect bill, H.R. 4678 does help to send the message to our children, our children all over the country, that they do matter.

□ 1215

I urge that my colleagues support and vote for H.R. 4678.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. ENGLISH), a member of the subcommittee.

Mr. ENGLISH. Mr. Speaker, it is a privilege to rise in support of this legislation, the presence of which on the floor is a great tribute to the gentlewoman who chairs our subcommittee and the ranking member and their bipartisan effort to help kids. I am delighted to support this legislation, which in my view speaks to a fundamental congressional responsibility, to provide States with the necessary tools to ensure that families leaving welfare are receiving the child support that they are entitled to.

Under this legislation, we give families who have left public assistance first rights to any child support arrears that are owed to them, before Federal and State government are reimbursed for costs incurred while the family was on assistance. This legislation speaks to the confusion of the current distribution rules which are complex, simplifying them to make them easier to understand and lower the administrative burden for the States.

I think that we can all agree that the staff time used to decipher these rules would be better spent by trying to increase collections. This bill also includes the creation of a fatherhood grant program, an issue we have addressed here on the floor in the past which would work with low-income fathers to promote marriage, encourage them to play an active role in their child's lives, and help them get better jobs. Ultimately, these children benefit not only from the financial support that a noncustodial parent provides but also from the stability of having both parents involved in their upbringing. This legislation is a mammoth step in the right direction in terms of reforming the child support distribution system.

I would encourage all of my colleagues to unite in bipartisan support of this important initiative.

Mr. CARDIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to first start by thanking my colleague and friend, the Chair of our subcommittee, the gentlewoman from Connecticut (Mrs. JOHNSON), for bringing this legislation forward. It has not been an easy process and rarely is important legislation moved forward without the hard work of our Chair. The gentlewoman from Connecticut deserves a lot of credit for her tenacity in staying with this issue. The legislation before us moves our Nation forward on a policy that will help children by getting more child support

to the family. While that might sound like common sense, current law actually penalizes States that want to send child support collections to families struggling to leave welfare and in some cases to families that have already left public assistance.

I can tell my colleagues in my own State of Maryland our legislature has struggled with this issue. Because of the penalties imposed by Federal law, they have been unable to reach agreement to pass more child support through to the families. If a State sends child support collections to a family on welfare, they still owe the Federal Government between half to three-quarters of that same child support payment. This has discouraged States from sending child support to families and encouraged them to adopt an effective 100 percent tax rate on child support payments to certain families. The Child Support Distribution Act as modified by the amendment included in the rule would end this disincentive for States to send child support to families.

The gentlewoman from California (Ms. WOOLSEY) pointed out that when this bill is fully implemented, \$1 billion a year in child support will go to low-income families. During the 10-year phase-in period, \$6.3 billion of child support collections will actually go to the families. That is good news for families in our Nation. This bipartisan measure would provide States with various options to send child support to low-income families with the Federal Government acting as a partner rather than a financial barrier for the States to do what they believe is best for the families in their own States.

For example, a State would be able to permit the pass-through of \$400 a month to families receiving cash welfare as long as that amount is disregarded for welfare payment purposes. In addition, States could send all support to families that have left cash assistance.

Now, there are three primary reasons why this makes good policy sense. The first and the most obvious that we have talked about is that more resources are going to go into low-income families. There is a better chance that families will actually be able to succeed and get off of welfare and be able to take care of their own financial needs. That is the obvious reason why this legislation makes sense.

The second, it encourages the non-custodial parent to be more involved in the upbringing of his or her child. In most cases it is the father. But it connects the father to the family when the money goes directly to the needs of the child. It makes it easier to collect child support. A father is going to be more willing to pay the money when the money actually goes to the family.

And the third is that it simplifies the administration of our child support system. Our committees have had hearings and have listened to child support enforcement people at our State level

about the complexity of our current system. This legislation, in fact, will simplify that system.

In addition to the child support provisions that are included in this legislation, we have also put into this legislation the fatherhood initiative that already passed this body by an overwhelming vote last year; \$150 million in grants to community-based organizations to promote marriage, encourage the payment of child support, and enhance the employment prospect of low-income parents. I am particularly pleased that that legislation has been modified.

We continue to learn. We have put additional provisions in that legislation to prevent domestic violence. That is certainly a welcome addition that we were able to include in the legislation. We have also included in the legislation before my colleagues improvements in our child support enforcement provisions as it relates to the issuance of passports and visas for those who are delinquent in the payment of child support.

Mr. Speaker, child support for families is common sense. Now we must make it the law of the land. I strongly urge all my colleagues to support this legislation. We are very pleased that many of the outside groups, the Center for Budget and Policy Priorities, the National Women's Law Center, the Center for Law and Social Policy, the Children's Defense Fund, all urge a favorable vote on this legislation because, as they state in their letter to us dated July 26, it will distribute more support to families to help them maintain employment and reduce welfare, it simplifies the State child support system, and it provides the needed services to low-income noncustodial parents to help them support and raise their children.

Lastly, Mr. Speaker, let me point out that this legislation has had a rough going through our committee. I particularly want to thank Ron Haskins of the majority staff and Nick Gwyn of the Democratic staff for putting children first and finding a way that we could bridge our differences so that we could bring forward the legislation today that enjoys strong bipartisan support. I urge my colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to the gentleman from Delaware (Mr. CASTLE).

Mr. CASTLE. Mr. Speaker, I too as others have done today rise in strong support of the gentlewoman from Connecticut's and the gentleman from Maryland's Child Support Distribution Act of 2000. This legislation improves on the success of the child support enforcement measures enacted in the historic 1996 welfare reform bill, a bill which itself has dramatically reduced welfare dependency and afforded real opportunity where once there was none.

I want to focus my comments on a particular section of the bill that I introduced as H.R. 4071, the Child Support Fairness and Federal Tax Refund Interception Act to modernize the Federal tax refund offset program. The Federal tax refund offset program is the second most effective way of collecting back child support, accounting for one-third of all back child support collected. But current law limits this program to parents who are on public assistance or parents with children who are still minors or parents with disabled adult children. My provision expands the eligibility for this program to parents with children regardless of their age or disability status.

A constituent of mine, Lisa McCave, of Wilmington, Delaware, wrote me a compelling letter last summer advocating for this change in the law. She had to stand by and watch a \$2,426 Federal tax refund go to her husband in Georgia even though he owed her nearly \$7,000 in back child support just because her son was no longer a minor. As she said in her letter to me, "We must be able to get all moneys available toward paying child support in arrearage no matter if the child has become an adult when the arrearage is being paid. We should not have to make our children do without necessities nor should we have to work two and three jobs to make up for an irresponsible, noncontributing parent."

On behalf of Lisa McCave and other single parents like her, these artificial barriers should be torn down. A non-custodial parent should not be able to escape their child support responsibilities by playing a waiting game until their child is 18.

I want to thank the gentlewoman from Connecticut (Mrs. JOHNSON) and the gentleman from Maryland (Mr. CARDIN) for their leadership on this issue and urge my colleagues to support this important bill.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I stand in strong support of H.R. 4678.

Let me just tell my colleagues my perspective. Our welfare reform policy has been built on two things: the single mother and her needs, which is rightfully so, and then the principle of work, work if you are able to work. But the third leg of the stool, if you will, that we have totally ignored is marriage. Because we have had for years a welfare reform system that says to the father, you are an economic disadvantage. You are irrelevant to the well-being of your children. We have even gone so far as to say you are somewhat of an alley cat. You get a girl pregnant and she is 16 years old, hit the road and we will deal with her. It is a ridiculous policy.

What H.R. 4678 does is bring the dad back in the formula. I have met with the Georgia fatherhood program. We have one of their chapters in Savannah, which I represent. In one of their

meetings, I met with four of these dads. Here is their personal kind of general story. When I was 18 years old, I became a father. But I was not ready to live up to that responsibility and the Government backed that decision. The Government said I do not have to. If I do hang around, we lose housing, we lose health care, we lose day care, we lose transportation benefits. So it was easy for me to hit the road. And so I left, and a lot of my friends in this situation left. But nobody ever told me what it was like to have the arms of a little 5-year-old girl hug my neck and call me Daddy. Now I have learned that and I want to come back. But I do not want the mama of this little girl, I do not want my little girl to be penalized because I want to come back and be the dad now and do right. Yet that is what our system has been telling him.

But through this bill, we are saying not only are you going to come back but we are going to give you job training because we want you to have stability in your life so that you can have stability in your marriage and your child's life. We are going to give you some education skills, job training skills, and parenthood skills. You are going to feel good.

Mr. Speaker, I have looked into the eyes of four of these dads and their testimony is very, very powerful. We owe this to them. We owe it to the institution of marriage. We owe it to welfare and social reform; but more than anything else, we owe it to millions and millions of kids who our economic policy has said, you are going to go through life without a dad. This way we can change that. This gives us an opportunity. I urge my colleagues to support this bill.

Mr. CARDIN. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. SCOTT).

□ 1230

Mr. SCOTT. Mr. Speaker, I thank the gentleman from Maryland (Mr. CARDIN) for yielding the time to me.

Later in the debate, I will be offering an amendment and a motion to recommit. The amendment prohibits the use of Federal funds and proselytization. It requires that there should be no discrimination against the beneficiaries based on religion and to make sure that civil rights laws will apply to these Federal funds.

The motion to recommit will provide that we should not discriminate in employment during the course of these programs.

I just wanted to read a list of organizations supporting both the amendment and the motion to recommit, because I would not have time during the consideration of the amendment and the motion. Those who support both the amendment and the motion to recommit will be the American Baptist Churches USA; the ACLU; the American Federation of State, County and Municipal Employees; the American Jewish Committee; the American Jew-

ish Congress; the Americans United; the ADL; Antidefamation League; the Central Conference of American Rabbis Council on Religious Freedom/Friends Committee on National Legislation; Quaker; Hadassah; the Jewish Council for Public Affairs; the Na'amat USA; the National Association of Alcoholism and Drug Abuse Counselors; the National Council of Jewish Women; the National Education Association; the National PTA; People for the American Way; Service Employees International Union; the AFL-CIO; the Union of American Hebrew Congregations; the Unitarian Universalist Association; the Women of Reform Judaism; the National Gay and Lesbian Taskforce; and the Presbyterian Church USA Washington Office.

Mrs. JOHNSON of Connecticut. Mr. Speaker, it is my pleasure to yield 3 minutes to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. Mr. Speaker, I thank the gentlewoman from Connecticut (Mrs. JOHNSON) for yielding me the time.

Mr. Speaker, I also thank the gentlewoman for her commitment and her efforts to get this important bill to the floor, and I am pleased that my friend, the gentleman from Maryland (Mr. CARDIN), has worked so hard to bring this bill to the floor as well.

There is no question that in our society in the last generation, too often fathers have been absent without leave. Too often fathers have not been where they were supposed to be, have not been doing what they were supposed to be doing, and rightly and appropriately, because of that, so much of our effort has been to figure out what we could do to help mothers.

Well, one thing we can do to help mothers is to try to help create an environment where fathers really function as fathers, where fathers do more than father a child, they actually play the role of fathers in this society. This bill is a significant step in that direction.

This bill is a significant effort to try to make that happen. Education, job training, parenthood training are all skills that fathers need. We are changing lots of communities in America, beginning with welfare reform; and people in those many communities begin to see for the first time a community driven by work, not welfare.

They also need an opportunity to see a community driven by two-parent families, not single moms struggling to get by. Too many young men in America have grown up in the last decade, maybe even the last 3 decades in communities where there were no role models of fathers, in communities where we do not just pick up the fatherhood parenting skills by watching what happens next door, because what happens next door is exactly what happened at your house, a single mom struggling to get by, nobody to help her with that process.

This bill goes beyond adding the important resources that it does add to

collecting child support. It goes beyond that and works hard for the first time in a significant way at a Federal level to help fathers become fathers to do that through faith-based organizations and community-based organizations.

And as well intentioned as I know the gentleman from Virginia (Mr. SCOTT) will be with his motion to recommit, of course, I am opposed to that, because I think involving these community-based and faith-based organizations, as this bill does, with the appropriate protections already in the law and in this bill, is a way to deliver these services.

How do we deliver services that create guidelines, the role models, the thoughts about parenthood and fatherhood, if we immediately exclude from that people who understand the community, people who work in that community and community-based and faith-based organizations all the time.

We need to look constantly for better ways to deliver these messages that make our society more of what we want it to be. Fathers working alongside mothers, raising children in an environment driven by work and values and family is what we need to be trying to build our society on. That can happen more effectively with the implementation this bill.

I am for it. I urge my colleagues to vote for it. I am grateful to my colleagues who have worked so hard to bring this important piece of legislation to the floor today.

Mr. CARDIN. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I support the Scott amendment. I think it is a common sense approach, and I hope that this body will approve that amendment. But I want to make it clear, regardless of what happens on the Scott amendment, it is important that we approve this legislation.

Let me point out that all the Democratic Members of the subcommittee, which include the gentleman from California (Mr. STARK), the gentleman from California (Mr. MATSUI), the gentleman from Pennsylvania (Mr. COYNE), and the gentleman from Louisiana (Mr. JEFFERSON) and myself sent a letter out to make it clear that if the Scott amendment does not pass, we urge support for H.R. 4678 because the bill takes real steps to lift low-income mothers and their children out of poverty. This is very important legislation.

Secondly, let me just quote, if I might, from Governor Glendening of Maryland, when I asked him about the pass through issue in my own State, he said in the last session, the Maryland general assembly considered this issue, but decided not to take action on such a significant and costly policy change without a clear knowledge of how the Federal Government will approach this issue and share in the costs involved.

It is important that we pass legislation clarifying child support pass through, so that our States can take

advantage of the pass through issues to help low-income families.

I urge my colleagues that, regardless of what position my colleagues take on the Scott amendment, to please support the final passage of the legislation.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 5½ minutes to the gentleman from Indiana (Mr. SOUDER).

(Mr. SOUDER asked and was given permission to revise and extend his remarks.)

Mr. SOUDER. Mr. Speaker, I rise in support of this bill for several reasons, and I want to enunciate a few of them. We will have a more extended discussion on charitable choice in a little bit.

First off, I think it is important that conservatives understand that tough child support, child support that lets parents know, particularly fathers, that they cannot abandon their families is not only important for the financial support of families, but to send a message to America that, in fact, when one gets married, it is a serious thing that can have long-term consequences. When we have children, we have a lifetime obligation to do that.

This bill also makes sure that the money collected from those fathers in the efforts that we have done here in the House to expand child support collection actually goes to the families and not merely to replace the government income that goes out to those families, but gives an incentive to help empower those families to move out of poverty because many times, after a divorce or after a separation, those families are driven into poverty.

Many of the people who are there transition into poverty before they move off, because many of what usually are the mothers have the custody of the children, are trapped in poverty for a period of time. And the noncustodial parent falls behind in their child support payments or does not make it a full amount of payment or drives those payments low, and until there is a remarriage and until there is a career change, often there is a penalty on that. This bill tries to address those problems of child support.

As a conservative, I am also particularly pleased in the efforts in the fatherhood area. Some have legitimate concerns as to the expanding role of government, and one question that comes up from some of my conservative colleagues is why would the government become involved in fatherhood initiatives? Partly it is because the government indirectly violated the do no harm goal of what I believe should be the number one priority of the Federal Government.

What the Federal Government has done over time, by programs that are well intentioned, they have given, in fact, a disincentive to marriage in this country, they have made it easier for fathers to abandon their families, to not provide the support.

In public housing, we have had discrimination on families. In fact, if you

have two incomes blended together, you go over the income cap, so there is a disincentive in much of public housing in the United States.

To stay married, the marriage penalty and the tax code gives economic disincentives to stay married. We have program after program that is, in fact, in the name of good intentioned efforts to help single moms has, in fact, separated the dad from many families because of indirectly many government programs. I believe that fatherhood is, in fact, essential and having fathers involved in the life of their children is essential.

We have seen creative programs in Oklahoma, in many States, Oklahoma being a model, in many States in fatherhood initiatives. We need to expand these programs. We need and cannot address the problems of teen violence, of drug abuse and many other things unless we have both parents involved, unless in particular as many books are currently pointing out, fathers need to be involved with young boys, they also need to be involved with their daughters in a different way, but particularly as we look at questions of youth violence and school dropouts and many of the problems in society, we must have fathers involved.

My belief is, we would not be facing this crisis as much today if the Federal Government had not already messed this up, and this is part a compensatory way not to take over these programs but to facilitate, which leads us to the question of charitable choice.

It is my great honor to be House co-chair with the gentleman from New Jersey (Mr. ANDREWS) of the Empowerment Caucus, the Senate cosponsors and leaders of that are Senator SANTORUM and Senator LIEBERMAN. In our empowerment package which Senator LIEBERMAN, vice presidential candidate LIEBERMAN, said the legislation we introduced today is really a model of cooperation and innovation. It combines much of the President's new markets initiatives and Republican-favored American Community Renewal Act and a progressive new synthesis for stimulating investment entrepreneurship and economic opportunity in disadvantaged communities.

In that package sponsored by Senator LIEBERMAN, unless he would change his mind on what he has backed for years here, it allows religious faith-based providers to become involved in this without diminishing the religious freedom of the beneficiaries or of the organizations.

Vice President GORE has also supported as has Governor Bush faith-based organizations in being eligible for government grants without changing the nature of those religious institutions, i.e., employment questions that are within the law, and, b, without restricting and reaching into other programs that they do that are not funded with government funds.

Let us make it sure as we debate this today, we cannot use government funds

to proselytize, that is clear. We can never use government funds to proselytize.

This amendment that we are going to debate today is in advance over any other debate we have, which now is reaching into the private funds of those organizations, as to whether they can do anything of religious character, we all agree no public funds can be used for proselytization, that is a government principle that is long standing and upheld by the courts. But the courts have recently ruled that you cannot also reach into the faith-based organizations that in fact we are allowed to give computers to religious schools because the computers themselves do not proselytize. It is not the business of the government to decide whether proselytization will occur on those computers, we just cannot directly fund it.

Mr. CARDIN. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, let me make it clear, there is no disagreement on either side of the aisle or that I know of any Member of this body, that the participation of the faith-based groups in the programs we are talking about. They are an instrumental part of the fabric of our Nation and are extremely important in the delivery of services.

The question is, it must be consistent with the Constitution establishment clause and separation of church and State.

I thank the gentleman from Virginia (Mr. SCOTT) for bringing forward two amendments or two opportunities for us to clarify that issue. And we are going to have a healthy debate on it. At the end of the day, the House, this body will work its will; and whatever the results are, I am prepared to abide by.

I urge at the end of the day that we all join together as we have during this debate and support the passage of this legislation.

Mr. Speaker, I yield back the balance of my time.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I would just like to say, Listen up America. So often what happens on this House floor is not reported by the media, unless there is a conflict and a battle. The fact that the gentleman from Maryland (Mr. CARDIN) and I have spent many, many hours thinking about this bill, listening to people's concerns about it, working out the problems means that it comes to the floor with agreement, but it is a dramatic change in public policy.

It is going to make an enormous difference in the ability of our Nation to build strong families. It is going to make an enormous difference in the lives of children. Just as welfare reform put models of work in our neighborhood, so his bill will put models of marriage in those neighborhoods, creating the umbrella of economic and emotional security under which children can grow well and strong.

Research has documented over and over, what we have never been willing on this floor to talk about, the importance of marriage and what it means to children. So today we take that step. We are going to help people learn how to parent, help people understand marriage, help people take that option.

Why?

Because mothers and fathers do better in marriage, but we are doing this for the kids.

□ 1245

Years ago when I was a freshman in this body, I was a member of the Select Committee on Children, Youth and Families. We held a hearing on children's fears, and the goal of the hearing was to demonstrate that children's greatest fear was of nuclear war. In fact, what the hearing demonstrated was that children's greatest fear was of divorce.

Children need moms, they need dads, and we need to honor the role of fathers and help those who come into it without preparation to succeed in it, just as much as we need to help women on welfare succeed economically.

This bill will help men whose children are on welfare succeed economically, in the same way welfare gives the mothers of their children that help, but it goes beyond that and addresses the emotional need to grow of young people so that they can not only succeed economically, but succeed as parents and succeed as co-parents of this child.

So this is a giant change in public policy, it is a radical step forward, and I urge my colleagues to support it.

Mr. PAUL. Mr. Speaker, I appreciate the opportunity to explain why I must oppose H.R. 4678, the Child Support Distribution Act. While I applaud the sections of the bill providing increased flexibility to states to ensure that child support payments go to benefit children, rather than government bureaucrats, other provisions of H.R. 4678 present grave dangers to individual liberty, privacy, constitutional government and the sanctity of the American family.

I am particularly disturbed by the language expanding the use of the National Directory of New Hires, popularly known as the "new hires database", in order to more effectively administer the unemployment compensation system and deny visas and residency to non-citizens who are delinquent in child support payments. Identifying persons who are failing to fulfill their legal obligation to pay child support is a worthy goal, as an OB-GYN who has delivered over four thousand babies in my over thirty year medical career, words cannot express the contempt I hold for those who would refuse to support their children. Similarly, preventing fraud in the unemployment program is obviously important to the nation's employers and employees whose taxes finance the unemployment insurance system.

However much I share the goals meant to be accomplished by the expanded uses of the database, I must remind my colleagues that the road to serfdom, like the road to hell, is paved with noble purposes and good intentions. Expanding the use of the new hires database brings us closer to the day when the

database is a universal tracking system allowing government officials easy access to every individual's employment and credit history. Providing the government with that level of power to track citizens is to invite abuse of individual liberties.

The threat of the expansion of the new hires database is magnified by the fact that it uses on the social security number, which has become for all intents and purposes a de facto national ID number. In addition to threatening liberty, forcing Americans to divulge their uniform identifier for inclusion in a database also facilitates the horrendous crime of identity theft. In order to protect American citizens from both private and public criminals I have introduced legislation, H.R. 220, restricting the use of the social security number to purposes related to social security administration so that the government cannot establish databases linked by a common identifier.

I would also remind my colleagues that the federal government has no constitutional authority to be involved in the collection of child support, much less invade the privacy of every citizen in order to ferret out a few wrongdoers. Constitutionally, there are only three federal crimes: treason, counterfeiting, and piracy on the high seas. For Congress to authorize federal involvement in any other law enforcement issue is a violation on the limits on Congressional power contained in Article 1, section 8 and the 10th Amendment of the United States Constitution. No less an authority than Chief Justice William Rehnquist has stated that Congress is creating too many federal laws and infringing on the proper police powers of the states.

In a free society, constitutional limits on government power and the liberty of citizens must never be sacrificed to increase the efficiency of any government program, no matter how noble the program's goal. Again I ask my colleagues to keep in mind that the dangerous road toward the loss of liberty begins when members of Congress put other goals ahead of our oath to preserve the Constitution and protect the liberty of our constituents.

While the expanded use of the new hires database provides sufficient justification for constitutionalists to oppose this bill, H.R. 4678 also must be opposed as it furthers the intrusion of the federal government into family life through the use of federal funds to support "fatherhood programs." Mr. Speaker, the federal government is neither constitutionally authorized nor institutionally competent to promote responsible fatherhood. In fact, by levying taxes on responsible parents to provide special programs for irresponsible parents the federal government is punishing responsible fathers!

Federal programs promoting responsible fatherhood are another example of how the unintended consequences of government interventions are used to justify further expansions of state power. After all, it was the federal welfare state which undermined the traditional family as well as the ethic of self-responsibility so vital to maintaining a free society. In particular, the welfare state has promoted the belief that the government (re: taxpayer) has the primary responsibility for child-rearing, not the parents. When a large number of citizens view parenting as proper function of the central state it is inevitable that there will be an increase in those who fail to fulfill their obligations as parents. Without the destructive ef-

fects of the welfare state, there would be little need for federal programs to promote responsible fatherhood.

Instead of furthering federal involvement in the family, Congress should stop pumping the narcotic of welfare into America's communities by defunding federal bureaucracies and returning responsibility for providing assistance to those institutions best able to provide help without fostering an ethic of irresponsibility and dependency: private charities and churches.

Certain of my colleagues will say that this bill does promote effective charity through expansion of the "charitable choice" program where taxpayer funds are provided to "faith-based" institutions in order to administer certain welfare programs. While I have no doubt that churches are better able to foster strong families than federal bureaucrats, I am concerned that providing taxpayer funding for religious institutions will force the institutions to water-down their message—thus weakening the very feature that makes these institutions effective in the first place!

Furthermore, providing taxpayers dollars to secular institutions violates the rights of taxpayers not to be forced to subsidize beliefs that may offend them. As Thomas Jefferson said "To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors is sinful and tyrannical."

In conclusion, H.R. 4678, the Child Support Distribution Act, violates the Constitution by expanding the use of the new hires database, thus threatening the liberty and privacy of all Americans, as well as by expanding the federal role in family in the misguided belief that the state can somehow promote responsible fatherhood. By expanding the so-called "charitable choice" program this bill also violates the conscience of millions of taxpayers and runs the risk of turning effective religious charities into agents of the welfare state. It also furthers the federalization of crime control by increasing the federal role in child support despite the fact that the federal government has no constitutional authority in this area. I therefore urge my colleagues to reject this bill and return responsibility for America's children to states, local communities and, most importantly, parents.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to express concerns regarding H.R. 4678, the Child Support Distribution Act of 2000, a bill intended to provide more child support money to families leaving welfare. The debate over welfare reform is very different from the reality of families struggling to escape poverty. Millions of taxpayers dollars have gone to private contractors who's only mission should be the preparation of adults who receive welfare to move from dependence to independence. Unfortunately, the amount of professional assistance made available to these families nor the qualifications of those contractors who are federally funded for the express purpose of providing counseling and job assistance to adults as they transition from welfare to work is not available. We do not have any effective measure as to the success or lack thereof of our effort to reform our nation's welfare system. For this reason, I would challenge my colleagues in this body to raise the bar on any legislative action that would effect the income of those families, which are transitioning from welfare to work.

This is an issue of great importance to children residing in the City of Houston and across this nation and, therefore, should be addressed under an open unrestricted rule, not under one which only allows one amendment such as in this case. The state of Texas has the fourth largest child support caseload in the nation with 1.2 million cases involving 2 million children. Child support collections for these cases increased 15% from \$757 million in State Fiscal Year 1998 to \$868 million in State Fiscal Year 1999.

Under current law, states are entitled to child support payments while a family is receiving cash welfare payments. And when a family leaves welfare, the state received 50% of any past due child support payments and the family receives 50%. Fortunately, this legislation would allow states to send child support payments directly to families who are also receiving welfare. This should not be an option for the states, but a requirement that they send all child support payments to these families for the care of their children.

Under current law, states are entitled to child support payments while a family is receiving cash welfare payments. And when a family leaves welfare, the state receives 50% of any past due child support payments and the family receives 50%. Fortunately, this legislation would allow states to send child support payments directly to families who are also receiving welfare. This should not be an option for the states, but a requirement that they send all child support payments to these families for the care of their children.

This bill should maximize the amount of child support funds that states should provide to families in order to increase the potential for success as families struggle to escape poverty under current welfare reform law. It is only fair that the amount of child support collected on their behalf should actually go for the care of these children. It is also very important that states provide this additional support during the critical period after a family leaves welfare. As the current bill is written the effective date for this provision is October 1, 2005, with an allowance for those states which wish to be providing these additional child support funds earlier being permitted to do so.

If members of this body have forgotten that welfare reform has been implemented and families are as we speak on this matter being denied additional assistance from states because their time has run out for access to federally subsidized living assistance benefits. To suggest that some of these families can wait until October of 2005 to receive child support payments which are legally due them is obscene and irresponsible on the part of this body's leadership. This issue is not a republican issue or a democratic issue, but a children's issue and should be treated as such, this legislation should be worked on until our children are helped and treated fairly.

Mrs. MALONEY of New York. Mr. Speaker, I rise in support of this important legislation which will improve the chances of parents trying to manage the transition from welfare to work.

The underlying bill will significantly strengthen child support enforcement efforts and improve the lives of working families and their children. I am particularly pleased that this bill will improve the lives of thousands of women working hard to support themselves and their families on their own.

This legislation will focus more of the funds collected from child support enforcement activities on the individuals who are actually owed the funds. Too often, in spite of our best efforts to continually improve enforcement activities, child support dollars often fail to reach the families and children who so desperately need them.

This change will ensure that single mothers receive an additional \$3.5 billion over the next five years.

This marks yet another important improvement in child support enforcement activities. I am extremely proud that the Clinton Administration and Congress have made so many significant strides in this arena. Last year, we collected over \$16 billion in child support—more than twice the amount collected in 1992.

In 1992, I introduced the Child Support and Enforcement Improvements Act which was designed to improve the ability of states to collect overdue child support payments. Many of the provisions of that bill were included in the 1996 Welfare Reform legislation and have helped child support collections continue to rise.

I am proud we have been able to use innovative ways to improve collections including new efforts to redirect tax refund dollars which have resulted in \$1.3 billion in additional collections, and programs to match delinquent parents with financial records which have also yielded \$3 billion since last August. This legislation is another important step in the effort to ensure that all Americans fulfill their responsibilities as parents. It will help families achieve independence and ensure that more children grow up in safe, stable households.

I urge all of my colleagues to support this common-sense legislation today.

Mr. MARKEY. Mr. Speaker, I rise in support of the Child Support Distribution Act (H.R. 4678) which will allow more child support money to get to the families who need and deserve this compensation. I would like to commend Chairwoman NANCY JOHNSON for sponsoring this legislation and for working tirelessly on behalf of the families of America who will benefit from this bill. I would also like to thank Mrs. JOHNSON for working with me and my colleagues to make improvements to this legislation as it moved through Committee.

On June 26, I along with my colleague Representative JOE BARTON submitted a letter to Mrs. JOHNSON asking that Title III of H.R. 4678 be deleted due to the serious privacy threat the language posed to highly sensitive and personal information. Under Title III, private child support collection agencies would be granted access to national data bases established in 1996 exclusively to facilitate securing delinquent child support payments by federally funded state child support collection agencies. These databases house personal financial, wage and health information. Under current law, state child support agencies and their contractors are subject to federal regulation with respect to the use and disclosure of this sensitive information. However, under Title III of the bill, private collection agencies would have been allowed to access this same information with no federal protections whatsoever.

In addition we submitted a letter to Secretary Shalala at the Department of Health and Human Services asking her to urge the President to veto any legislation that would allow unregulated access to access to these databases.

We were not the only ones disturbed by the language in Title III, consumer privacy groups, state organizations, and employer groups as well as child advocacy groups were all in strong opposition to the title. These groups included the Children's Defense Fund, the National Women's Law Center, the Center for Law and Social Policy, the Association for Children for Enforcement of Support, Inc., the Consumer Federation of America, Consumers Union, U.S. Public Interest Research Group, and the American Payroll Association. These groups understood that allowing unfettered access to these databases could ultimately undermine child support enforcement efforts.

In compelling testimony regarding the privacy threat associated with expanding access to these databases, Joan Entmacher, Director of the National Women's Law Center stated the following on May 18 before the Human Resources Subcommittee on Ways and Means:

Over the years, Congress has worked to increase the effectiveness of child support enforcement while protecting the privacy of individuals. In the Family Support Act of 1988 and Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Congress required the creation of the automated systems and databases essential to effective state child support enforcement, and addressed legitimate privacy concerns by carefully limiting access to and use of the information. If access to these databases is expanded, and abuses occur, a future Congress or state legislatures may conclude that the only way to protect privacy would be to dismantle these databases altogether, permanently setting back child support enforcement.

Mr. Speaker, I am pleased that Chairwoman JOHNSON was receptive to our concerns and elected to preserve privacy by removing Title III from the bill. Again, I commend my esteemed colleague Representative JOHNSON for her leadership on this matter.

The SPEAKER pro tempore (Mr. PEASE). All time for general debate on the bill has expired.

AMENDMENT OFFERED BY MR. SCOTT

Mr. SCOTT. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SCOTT:

Page 39, after line 19, insert the following: "(E) PROTECTION FOR BENEFICIARIES.—An entity to which a grant is made under this section shall not subject a participant in a program assisted with the grant to sectarian worship, instruction, or proselytization.

"(F) RULE OF CONSTRUCTION ON RECEIPT OF FINANCIAL ASSISTANCE UNDER THIS SECTION.—For purposes of any Federal, State, or local law, receipt of financial assistance from a grant made under this section shall constitute receipt of Federal financial assistance or aid.

Page 39, line 20, strike "(E)" and insert "(G)".

Page 40, line 5, strike "(F)" and insert "(H)".

Page 43, line 15, insert "(except the except clause of subsection (g))" after "this section".

The SPEAKER pro tempore. Pursuant to House Resolution 566, the gentleman from Virginia (Mr. SCOTT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Speaker, I yield myself 2 minutes and 40 seconds.

Mr. Speaker, all of the provisions in this amendment have been previously accepted by the majority in the other bills, H.R. 3222, Even Start, and H.R. 4141 the Safe and Drug-Free Schools, which contained the charitable choice provisions.

In the charitable choice part of this provision that allows the Federal funding of faith-based organizations, the first provision of this amendment clarifies that any eligible entity request not subject a participant during the course of a publicly funded fatherhood program to sectarian worship instruction or proselytization. Under the bill, the charitable choice provision only provides that no direct funds can be used for that purpose. This would not, of course, cover privately paid employees or volunteers, who could use the Federal-funded program to promote their sectarian agenda.

The concern here is that you have individuals seeking assistance in a federally funded fatherhood program, and in essence they become a captive audience. It is wrong to take advantage of their need for services and essentially require them to participate in a federally sponsored sectarian worship program. I say "federally sponsored" because, according to the bill, the bill allows the programs to be paid for with 80 percent of the expenses being paid for by Federal funds.

The majority had previously accepted this provision, and in the committee report accompanying the Even Start bill, H.R. 3122, that report outlines the acceptance of that amendment.

Another portion of this amendment closes the loophole contained in the bill which would allow discrimination against some beneficiaries based on their religion. There should be no circumstance in which a person is denied benefits under a federally funded program solely because of that person's religious beliefs.

Finally, my amendment clarifies that programs using Federal funds are technically in receipt of Federal financial assistance. This makes it clear that in the cases of insidious discrimination, the Department of Justice could use enforcement procedures under title VI of the Civil Rights Act to enforce civil rights of beneficiaries and employees.

Mr. Speaker, these provisions have previously been accepted by the majority in two other bills.

The amendment will protect beneficiaries from unwarranted proselytization and discrimination, and it ensures that civil rights protections available to all other Federal programs will apply to this legislation.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in opposition to the amendment.

The SPEAKER pro tempore. The gentleman from Connecticut is recognized for 5 minutes.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to make very clear that the amendment that the gentleman is offering is not the same amendment that is in the Even Start legislation or in the Drug-Free Schools bill. It is different in its wording, and the difference is significant.

Mr. Speaker, I yield 2½ minutes to the gentleman from Indiana (Mr. SOUDER).

Mr. SOUDER. Mr. Speaker, I thank the chairwoman for her efforts and should have said that earlier on the full bill. I appreciate her leadership.

Mr. Speaker, I am not going to get into a lot of discussion here about the amazing wonders that some of these groups are accomplishing around the country that are faith based, but I want to get into the technical thing.

As a person who has been a primary negotiator with the gentleman from Virginia (Mr. SCOTT) on this, I immediately realized when the phone call came to me a couple of days ago in Indiana that this was not the same amendment, and it has an overwhelming difference which made me resist it.

I have worked with the gentleman because we agree with many of the basic parts of this, that you cannot fund through government funds sectarian worship, instruction or proselytizing, and that there are certain civil rights laws that are required to be upheld regardless in employment discrimination.

But what this program does and this amendment would do is reach into the private funding. The differences, for example, are as we went through Even Start, where people are often in a school or on school grounds and in a defined program, a fatherhood program may have different components, and the way the gentleman has worded this, "in a program," "program" is not clearly defined, that it could be a fatherhood initiative that has many components.

The component funded by the Federal Government cannot proselytize. But, as I mentioned earlier, we also have a Supreme Court decision that has come through since we have had these discussions at the Committee on Education and the Workforce, Mitchell versus Helms. The majority clearly ruled that, for example, a computer can be given to a religious institution, because the computer does not do the proselytizing, nor does a building do the proselytizing, nor does a book that does not have proselytizing in it do proselytizing.

If other funds from that organization do proselytizing, then, as long as an individual recipient has a choice, as long as there is not discrimination based on religion and who is in the program, things which we agreed with before and which are protected under law, whether or not the Scott amendment passes, you cannot discriminate on who you

serve if you get government funds; you cannot discriminate and use government funds for proselytizing; you cannot practice racial discrimination, for example. But you can, for example, have a program that if part of the fatherhood program gets a computer, or if we help fund a building, and that group happens to have a religious component to their program not funded by the Federal Government, it does not mean that they have to drop everything else that is in their fatherhood program, such as Charles Ballard's in Cleveland does. He cannot use government funds to proselytize, but he can use government funds to do other things. I think it is wonderful, and I think the programs are wonderful.

Mr. SCOTT. Mr. Speaker, I yield myself 45 seconds.

First of all, on the question of whether or not you can discriminate against who you serve, the second part of this amendment deals with that directly, and that is you cannot under any circumstances discriminate on who you serve based on religion. The bill includes a loophole, and this amendment will close that loophole.

On the question of whether you can proselytize during a federally funded program, that is clear, Mr. Speaker. You should not be able to proselytize; you should not be able to run a program that does that. This amendment makes it clear. The bill as it leaves it open, that you can run a federally sponsored sectarian worship program with Federal funds.

Mr. SOUDER. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. I yield to the gentleman from Indiana.

Mr. SOUDER. Mr. Speaker, my question is, does the gentleman grant that there is a difference between "during," which we have had before, and "in a program"? Because we have agreed that during a program funded by government funds, that is directly funded, you cannot, but "in a program" is broader. Does the gentleman agree with that being the difference?

Mr. SCOTT. Mr. Speaker, reclaiming my time, no, I do not, because under the bill it only includes direct funds. So if you are running the program and have someone come into the program during the program to proselytize with indirect funds, or volunteer, you have got your captive audience, and that is wrong.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would remind the gentleman that you cannot do it during the program. Current law very clearly prohibits public monies for sectarian worship, instruction or proselytizing. In addition, current law is very clear that no program receiving Federal funds may discriminate based on race, color, national origin, disability, or age. This amendment is not necessary to enforce title VI of the Civil Rights

Act, section 504 of the Vocational Rehabilitation Act or the Age Discrimination Act. It is not necessary, further, to present proselytizing.

What it does do is to change the provisions on which we have relied for a number of years and will thereby frighten churches away from being willing to participate in this program. Remember, these fathers that we are trying to reach out to are the very people that government has not been able to reach, that the bureaucracy is not going to be able to get at them. That is why we want the churches to help.

In many neighborhoods, frankly, the black churches, the Hispanic churches, are the only institutions left standing; and we want them to be able to get some Federal money to help them teach parenting skills, teach financial management skills, do work-readiness programs, to help these fathers take their economic responsibility and their emotional responsibility to their kids.

The big advantage of this is going to be that if that neighborhood church is able to bring these men back into their families and help these families grow then they will be there to support those families throughout the many decades of growth that families go through, through the hard times, which we all know are a part of our lives, as well as through the good times.

So to pass this amendment would absolutely, without question, chill the participation of the ecumenical community, not just the Protestant churches and the Catholic church, but the synagogues and the mosques, in this program. That would be a tragedy for men, for families, and for children.

I urge defeat of the amendment.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

The important word here, Mr. Speaker, is "direct," that you can run especially a church program indirectly with a captive audience that you have got, and that is the essential word. When you say you cannot proselytize, in fact you can, if you do it indirectly.

Mr. Speaker, I yield 30 seconds to the gentleman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Speaker, I do not agree that there is a loophole. Clearly you cannot do it during the program. If you go as far as the gentleman's bill, to say you cannot do it "in" the program, is significant and will disallow a lot of normal church activities.

But my deepest concern is not whether or not the gentleman and I argue this technically, whether lawyers agree or disagree. The fact is that a change in the wording of this provision that has been in place now for I think 4 years, starting with welfare reform, will chill the participation, particularly of the small churches that we are trying to get involved through this bill.

Mr. SCOTT. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, the amendment has three provisions. One is to disallow any

proselytization during the program. It says in the wording "a participant in a program assisted by Federal funds." It also prohibits any discrimination in terms of who you serve, and it provides for civil rights protections under Federal law that apply to every other Federal program. I would hope that we would adopt this amendment.

Ms. PELOSI. Mr. Speaker, I rise in strong support of the Scott amendment and the motion to recommit in opposition to the Charitable Choice provisions in The Child Support Distribution Act, H.R. 4678. These provisions would weaken important anti-discrimination civil rights protections; violate the constitutional separation of church and state; and entangle religious institutions in the reach of government. These provisions explicitly enable faith-based organizations to proselytize to those receiving public services; to discriminate in employment decisions with public funds; and provide that faith organizations need not alter their religious character causing adverse consequences.

While the underlying child support provisions in this bill are important to help families raising their children and that they are endorsed by the Children's Defense Fund, the Center on Budget and Policy Priorities, and CLASP, my opposition is focused solely on the Charitable Choice provisions. Also, opposing these Charitable Choice provisions is The Work Group for Religious Freedom in Social Services, a coalition of more than 40 national religious, civil rights, civil liberties, and education organizations, including the ACLU, American Baptist Churches, USA, American Jewish Committee, and Americans United for Separation of church and State.

The Scott amendment is essential because it would strengthen prohibitions against proselytizing and prevent discrimination against beneficiaries. It also would clarify that beneficiaries who received direct grants or beneficiaries who receive indirect assistance are both in receipt of federal financial assistance.

The amendment has three main components. First, although the bill would prohibit federal funds provided directly to recipient institutions from being expended for sectarian workshop, instruction, or proselytizing, the bill does not extend the prohibition to privately funded staff pursuing these activities toward individuals receiving public services within the publicly funded program. The Scott amendment recognizes that it is inappropriate for publicly funded institutions and programs to include a component of proselytization and would prevent this. Second, the Scott amendment would close a loophole enabling discrimination against beneficiaries when another existing local, state, or federal law permits it. Third, the Scott amendment makes it clear to our court system that when federal funds are involved federal civil rights apply and they can be enforces under the Civil Rights Act Title VI or other applying laws. This would apply even if federal financial assistance is provided via a voucher, certificate, or other indirect methods.

SCOTT's motion to recommit addresses employment discrimination and would strike the bill's provision allowing religious organizations to use public funds to discriminate in hiring. All of these needed protections are very important to ensure that the religious rights and the civil rights of Americans can be exercised and where they overlap, there is an appropriate

balance. They also would serve to protect the separation of church and state. I urge my colleagues to support the Scott amendment and motion to recommit.

□ 1300

The SPEAKER pro tempore (Mr. PEASE). All time has expired.

Pursuant to House Resolution 566, the previous question is ordered on the bill and on the amendment offered by the gentleman from Virginia (Mr. SCOTT).

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Virginia (Mr. SCOTT).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. SCOTT. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 163, noes 257, answered "present" 1, not voting 13, as follows:

[Roll No. 455]

AYES—163

Abercrombie	Gutierrez	Nadler
Ackerman	Hastings (FL)	Napolitano
Allen	Hilliard	Neal
Baca	Hinchev	Oberstar
Baird	Hinojosa	Obey
Baldacci	Hoefel	Olver
Baldwin	Holt	Pallone
Barrett (WI)	Hooley	Pascrell
Becerra	Horn	Pastor
Bentsen	Hoyer	Payne
Berkley	Insee	Pelosi
Berman	Jackson (IL)	Pickett
Bishop	Jackson-Lee	Pomeroy
Blagojevich	(TX)	Price (NC)
Blumenauer	Johnson, E.B.	Rahall
Bonior	Kanjorski	Rangel
Boswell	Kennedy	Reyes
Brady (PA)	Kildee	Rivers
Brown (FL)	Kilpatrick	Rodriguez
Brown (OH)	Kind (WI)	Rothman
Campbell	Kleczka	Roybal-Allard
Capuano	Klink	Rush
Cardin	Kucinich	Sabo
Carson	LaFalce	Sanchez
Clay	Lampson	Sanders
Clayton	Lantos	Sandlin
Clyburn	Larson	Sawyer
Conyers	Lee	Schakowsky
Costello	Levin	Scott
Coyne	Lewis (GA)	Serrano
Crowley	Lofgren	Sherman
Cummings	Lowey	Sisisky
Davis (IL)	Luther	Slaughter
DeFazio	Maloney (CT)	Stabenow
DeGette	Maloney (NY)	Stark
Delahunt	Markey	Strickland
DeLauro	Matsui	Tauscher
Deutsch	McCarthy (MO)	Thompson (CA)
Dicks	McCarthy (NY)	Thompson (MS)
Dixon	McDermott	Thurman
Doggett	McGovern	Tierney
Dooley	McKinney	Turner
Edwards	McNulty	Udall (CO)
Eshoo	Meehan	Udall (NM)
Etheridge	Meek (FL)	Velazquez
Evans	Meeks (NY)	Visclosky
Farr	Menendez	Waters
Fattah	Millender-	Watt (NC)
Filner	McDonald	Waxman
Frank (MA)	Miller, George	Weiner
Frost	Minge	Wexler
Gejdenson	Mink	Weygand
Gephardt	Moakley	Woolsey
Gonzalez	Moore	Wu
Green (TX)	Moran (VA)	Wynn

NOES—257

Aderholt	Armey	Ballenger
Andrews	Bachus	Barcia
Archer	Baker	Barr

Barrett (NE)	Goodling	Peterson (PA)
Bartlett	Gordon	Petri
Barton	Goss	Phelps
Bass	Graham	Pickering
Bateman	Granger	Pitts
Bereuter	Green (WI)	Pombo
Berry	Greenwood	Porter
Biggert	Gutknecht	Portman
Bilbray	Hall (OH)	Pryce (OH)
Bilirakis	Hall (TX)	Quinn
Bliley	Hansen	Radanovich
Blunt	Hastings (WA)	Ramstad
Boehrlert	Hayes	Regula
Boehner	Hayworth	Reynolds
Bonilla	Hefley	Roemer
Bono	Herger	Rogan
Borski	Hill (IN)	Rogers
Boucher	Hill (MT)	Rohrabacher
Boyd	Hilleary	Ros-Lehtinen
Brady (TX)	Hobson	Roukema
Bryant	Hoekstra	Royce
Burr	Holden	Ryan (WI)
Burton	Hostettler	Ryun (KS)
Buyer	Houghton	Salmon
Callahan	Hulshof	Sanford
Calvert	Hunter	Saxton
Camp	Hutchinson	Scarborough
Canady	Hyde	Schaffer
Cannon	Isakson	Sensenbrenner
Capps	Istook	Sessions
Castle	Jenkins	Shadegg
Chabot	John	Shaw
Chambliss	Johnson (CT)	Shays
Chenoweth-Hage	Johnson, Sam	Sherwood
Clement	Jones (NC)	Shimkus
Coble	Kasich	Shows
Coburn	Kelly	Shuster
Collins	King (NY)	Simpson
Combest	Kingston	Skeen
Condit	Knollenberg	Skelton
Cook	Kolbe	Smith (MI)
Cooksey	Kuykendall	Smith (NJ)
Cox	LaHood	Smith (TX)
Cramer	Largent	Smith (WA)
Crane	Latham	Snyder
Cubin	LaTourette	Souder
Cunningham	Leach	Spence
Danner	Lewis (CA)	Spratt
Davis (FL)	Lewis (KY)	Stearns
Davis (VA)	Linder	Stenholm
Deal	Lipinski	Stump
DeLay	LoBiondo	Stupak
DeMint	Lucas (KY)	Sununu
Diaz-Balart	Lucas (OK)	Sweeney
Dickey	Manzullo	Talent
Dingell	Martinez	Tancredo
Doolittle	Mascara	Tauzin
Doyle	McCrery	Taylor (MS)
Dreier	McHugh	Taylor (NC)
Duncan	McInnis	Terry
Dunn	McIntyre	Thomas
Ehlers	McKeon	Thornberry
Ehrlich	Metcalf	Thune
Emerson	Mica	Tiahrt
English	Miller (FL)	Toomey
Ewing	Miller, Gary	Trafficant
Fletcher	Mollohan	Upton
Foley	Moran (KS)	Vitter
Forbes	Morella	Walden
Ford	Murtha	Walsh
Fossella	Myrick	Wamp
Fowler	Nethercutt	Watkins
Franks (NJ)	Ney	Watts (OK)
Frelinghuysen	Northup	Weldon (FL)
Gallely	Norwood	Weldon (PA)
Ganske	Nussle	Weller
Gekas	Ortiz	Whitfield
Gibbons	Ose	Wicker
Gilchrest	Oxley	Wilson
Gillmor	Packard	Wise
Gilman	Paul	Wolf
Goode	Pease	Young (FL)
Goodlatte	Peterson (MN)	

ANSWERED "PRESENT"—1

Kaptur

NOT VOTING—13

Engel	McCollum	Towns
Everett	McIntosh	Vento
Jefferson	Owens	
Jones (OH)	Riley	Young (AK)
Lazio	Tanner	

□ 1323

Messrs. SALMON, DAVIS of Florida, DAVIS of Virginia and HILL of Indiana changed their vote from "aye" to "no."

Ms. ESHOO and Messrs. GEPHARDT, BALDACCI and COSTELLO changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. PEASE). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SCOTT

Mr. SCOTT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. SCOTT. I am in its present form, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SCOTT moves to recommit the bill H.R. 4678 to the Committee on Ways and Means with instructions to report the same to the House forthwith with the following amendment:

Page 43, line 15, insert "(other than subsection (f))" after "this section".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. SCOTT) is recognized for 5 minutes in support of his motion.

Mr. SCOTT. Mr. Speaker, first of all, I want to make it clear to my colleagues that the motion does not kill the bill. It simply strikes the provision contained in the bill which allows employment discrimination and reports the bill immediately back to the House for consideration without that provision.

Mr. Speaker, the motion makes it clear that a religious organization participating in a fatherhood program may not use Federal funds to discriminate in their hiring based on religion. Mr. Speaker, the idea that religious bigotry might take place with Federal funds is not speculative.

During several debates that we have had on this issue, it has been established that it is the intent of the sponsors to allow a religious organization using Federal funds under charitable choice to fire or refuse to hire a perfectly qualified employee solely or based on that person's religion. One said that a Jewish organization could fire a Protestant if they choose.

Furthermore, some proponents of charitable choice have gone so far to suggest that charitable choice would not work unless one could discriminate. One proponent was quoted in Congressional Quarterly stating that groups should not be barred from Federal funds because they are a Christian organization and like to hire Christians.

Mr. Speaker, there was a time when some Americans, because of their religion, were not considered qualified for certain jobs. In fact, before 1960, it was thought that a Catholic could not be elected President. Before the civil rights laws passed, people of certain re-

ligions were routinely subject to invidious discrimination when they sought employment. Fortunately the civil rights laws of the 1960s put an end to that practice, and we no longer see signs suggesting that those particular religions need not apply for jobs.

Mr. Speaker, it is disappointing to know that at the same time that we are considering the first person of the Jewish faith to be our Vice President that at the same time we are considering legislation which will allow religious organizations to practice religious discrimination in federally funded programs.

Federally funded religious bigotry is wrong, and so I urge the adoption of the motion to recommit with instructions.

Mr. Speaker, I yield the balance of my time to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, this vote is very clear. It is nonpartisan. If my colleagues favor using Federal tax dollars to discriminate based on religion for federally funded jobs, then vote "no" on this motion. But if my colleagues think it is wrong to take the American people's tax dollars and put out a sign that says no Jews, no Protestants, or no Catholics, no Muslims need apply for this federally funded job, then they should vote "yes" for this motion.

□ 1330

I would suggest it is wrong to discriminate against any American citizen based on religion. I think to use Federal tax dollars to subsidize that religious discrimination should be intolerable, and it should be unacceptable in this bill or any bill that passes this House. I urge, for that reason, a bipartisan "yes" vote on this motion to recommit.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume to indicate that if this amendment does not pass, we will have people having the ability to tell people that they do not hire their kind because of their religion. This amendment would prohibit that practice, would prohibit discrimination based on religion in federally funded programs.

I would hope that we would take a stand against religious bigotry and adopt the motion to recommit.

Mr. Speaker, I yield back the balance of my time.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in very strong opposition to the motion to recommit, and I yield 30 seconds to the gentleman from Maryland (Mr. CARDIN), my ranking member.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentlewoman from Connecticut (Mrs. JOHNSON) is recognized for 5 minutes, and the gentleman from Maryland (Mr. CARDIN) is yielded to for 30 seconds.

Mr. CARDIN. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, there are different views in this House in regards to this particular issue. I happen to agree with the position of the gentleman from Virginia (Mr. SCOTT) and will support the motion. However, regardless of what happens on the motion, I urge my colleagues to support the final passage of this legislation.

I am joined in this request by all the Democratic members of our subcommittee: the gentleman from California (Mr. STARK), the gentleman from California (Mr. MATSU), the gentleman from Pennsylvania (Mr. COYNE), and the gentleman from Louisiana (Mr. JEFFERSON).

This is an extremely important bill. Let the House work its will on this motion, but please support final passage.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. SOUDER).

Mr. SOUDER. Mr. Speaker, this is a very critical vote. The question is whether we are going to repeal title VII of the Civil Rights Act that has exempted churches from being regulated in their employment patterns.

This is a question of church governance and whether we are now going to say that churches, if they are going to participate in any Federal program, can no longer be churches. If we take the religious nature out of the churches and say that they cannot control who they hire, we have changed the nature of current law. We have changed the nature of the Civil Rights Act, title VII, that was given in particular to churches so they did not fall under this type of thing.

In the recent decision on Mitchell versus Helms, for the majority, Justice Thomas wrote, "The religious nature of a recipient should not matter to the constitutional analysis so long as the recipient adequately furthers the government's secular purpose."

We all agree they cannot proselytize with government funds. If they are accomplishing our goal of fatherhood, of housing, of juvenile justice, whatever our goal is, to get kids off drugs, as long as they are not proselytizing with our government funds, I do not believe we in Congress should tell a church that they should no longer be a church or they cannot participate.

We need the involvement of all parts of our community. This amendment would in fact gut almost any denomination from being willing to participate in trying to address the problems that so desperately need our cooperative efforts.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. GOODLING).

Mr. GOODLING. Mr. Speaker, I thank the gentlewoman for yielding me this time.

My good friend from Virginia, and we are good friends, said that this does not gut the bill, does not kill the bill. There is no question it kills the bill. Title VII at the present time exempts

churches and religious organizations from employment discrimination laws. So, obviously, the church is not going to give up that title VII exemption or the religious organization, so they just do not participate.

So we will lose some of the very most important people that could make this program work simply because we have gutted the bill; we have eliminated their participation. It is just as simple as that.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, this is a difficult issue. But for 4 years now this Nation has had Charitable Choice language in its welfare reform bill, in its Even Start program, and in other legislative initiatives for the explicit purpose of allowing churches to be part of the social service delivery system because often they can reach people that no government agency can reach.

There are neighborhoods in America, there are areas of America where the only institutions left are small churches. Those small churches cannot tolerate complex, burdensome regulations governing their activities, but they can provide services without proselytizing. Clearly under current law, they cannot use Federal funds on any program that is going to proselytize. They cannot use Federal funds if they are going to discriminate. All those things are in current Charitable Choice laws and they have worked. Do not change it.

And particularly do not change it in this fatherhood bill, because the fathers we are trying to reach are outside of the traditional system. The most likely agencies to reach them are the very small black churches in poor neighborhoods, Hispanic churches, other small institutions that we hope will be able to reach out to these fathers, and help bring them back into being the emotional parent of their child as well as the economic parent.

Charitable Choice provisions have worked. Do not vote for this motion to recommit because it will destroy the opportunity of particularly our smallest churches to participate in the fatherhood grant demonstration program. And that would be really a tragedy because it would weaken us in reaching people that traditionally in our society we have not been able to reach. Government has not reached them, the big institutional churches have not reached them, and we need, we need, to reach into the neighborhoods where the people need our help.

Mr. Speaker, I urge opposition to this motion to recommit.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

## RECORDED VOTE

Mr. SCOTT. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 175, noes 249, not voting 10, as follows:

[Roll No. 456]

AYES—175

Abercrombie	Frost	Murtha
Ackerman	Gejdenson	Nadler
Allen	Gephardt	Napolitano
Andrews	Gonzalez	Neal
Baca	Green (TX)	Oberstar
Baird	Gutierrez	Obey
Baldacci	Hastings (FL)	Olver
Baldwin	Hill (IN)	Ortiz
Barrett (WI)	Hilliard	Pallone
Becerra	Hinchev	Pascrell
Bentsen	Hinojosa	Pastor
Berkley	Hoefel	Payne
Berman	Holt	Pelosi
Berry	Hooley	Pickett
Bishop	Hoyer	Pomeroy
Blagojevich	Insee	Price (NC)
Blumenauer	Jackson (IL)	Rangel
Bonior	Jackson-Lee	Reyes
Boswell	(TX)	Rivers
Boucher	Johnson, E. B.	Rodriguez
Brady (PA)	Kanjorski	Rothman
Brown (FL)	Kennedy	Royal-Allard
Brown (OH)	Kilpatrick	Rush
Capps	Kind (WI)	Sabo
Capuano	Kleczka	Sanchez
Cardin	Klink	Sanders
Carson	Kucinich	Sandlin
Clay	LaFalce	Sawyer
Clayton	Lampson	Schakowsky
Clement	Lantos	Scott
Clyburn	Larson	Serrano
Conyers	Lee	Sherman
Costello	Levin	Sisisky
Coyne	Lewis (GA)	Slaughter
Crowley	Lofgren	Smith (WA)
Cummings	Lowey	Snyder
Danner	Luther	Stabenow
Davis (FL)	Maloney (CT)	Stark
Davis (IL)	Maloney (NY)	Strickland
DeFazio	Markey	Stupak
DeGette	Mascara	Tauscher
Delahunt	Matsui	Thompson (CA)
DeLauro	McCarthy (MO)	Thompson (MS)
Deutsch	McCarthy (NY)	Thurman
Dicks	McDermott	Tierney
Dingell	McGovern	Turner
Dixon	McKinney	Udall (CO)
Doggett	McNulty	Udall (NM)
Dooley	Meehan	Velazquez
Doyle	Meek (FL)	Visclosky
Edwards	Meeks (NY)	Waters
Eshoo	Menendez	Watt (NC)
Etheridge	Millender	Waxman
Evans	McDonald	Weiner
Farr	Miller, George	Wexler
Fattah	Minge	Weygand
Filner	Mink	Woolsey
Ford	Moakley	Wu
Frank (MA)	Moore	Wynn

NOES—249

Aderholt	Bryant	Davis (VA)
Archer	Burr	Deal
Armey	Burton	DeLay
Bachus	Buyer	DeMint
Baker	Callahan	Diaz-Balart
Ballenger	Calvert	Dickey
Barcia	Camp	Doolittle
Barr	Campbell	Dreier
Barrett (NE)	Canady	Duncan
Bartlett	Cannon	Dunn
Barton	Castle	Ehlers
Bass	Chabot	Ehrlich
Bateman	Chambless	Emerson
Bereuter	Chenoweth-Hage	English
Biggert	Coble	Ewing
Bilbray	Coburn	Fletcher
Billirakis	Collins	Foley
Bliley	Combest	Forbes
Blunt	Condit	Fossella
Boehlert	Cook	Fowler
Boehner	Cooksey	Franks (NJ)
Bonilla	Cox	Frelinghuysen
Bono	Cramer	Gallegly
Borski	Crane	Ganske
Boyd	Cubin	Gekas
Brady (TX)	Cunningham	Gibbons

Gilchrest Linder Salmon  
 Gillmor Lipinski Sanford  
 Gilman LoBiondo Saxton  
 Goode Lucas (KY) Scarborough  
 Goodlatte Lucas (OK) Schaffer  
 Goodling Manzullo Sensenbrenner  
 Gordon Martinez Sessions  
 Goss McCreery Shadegg  
 Graham McHugh Shaw  
 Granger McInnis Shays  
 Green (WI) McIntyre Sherwood  
 Greenwood McKeon Shimkus  
 Gutknecht Metcalf Shows  
 Hall (OH) Mica Shuster  
 Hall (TX) Miller (FL) Simpson  
 Hansen Miller, Gary Skeen  
 Hastings (WA) Mollohan Skelton  
 Hayes Moran (KS) Smith (MI)  
 Hayworth Moran (VA) Smith (NJ)  
 Hefley Morella Smith (TX)  
 Hergert Myrick Souder  
 Hill (MT) Nethercutt Spence  
 Hilleary Ney Spratt  
 Hobson Northup Stearns  
 Hoekstra Norwood Stenholm  
 Holden Nussle Stump  
 Horn Ose Sununu  
 Hostettler Oxley Sweeney  
 Houghton Packard Talent  
 Hulshof Paul Tancredo  
 Hunter Tanner Terry  
 Hutchinson Peterson (MN) Tauzin  
 Hyde Peterson (PA) Taylor (MS)  
 Isakson Petri Taylor (NC)  
 Istook Phelps Terry  
 Jenkins Pickering Thomas  
 John Pitts Thornberry  
 Johnson (CT) Pombo Thune  
 Johnson, Sam Porter Tiahrt  
 Jones (NC) Portman Toomey  
 Kaptur Pryce (OH) Traficant  
 Kasich Quinn Upton  
 Kelly Radanovich Vitter  
 Kildee Rahall Walden  
 King (NY) Ramstad Walsh  
 Kingston Regula Wamp  
 Knollenberg Reynolds Watkins  
 Kolbe Riley Watts (OK)  
 Kuykendall Roemer Weldon (FL)  
 LaHood Rogan Weldon (PA)  
 Largent Rogers Weller  
 Latham Rohrabacher Whitfield  
 LaTourette Ros-Lehtinen Wicker  
 Lazio Roukema Wilson  
 Leach Royce Wise  
 Lewis (CA) Ryan (WI) Wolf  
 Lewis (KY) Ryun (KS) Young (FL)

NOT VOTING—10

Engel McCollum Vento  
 Everett McIntosh Young (AK)  
 Jefferson Owens  
 Jones (OH) Towns

□ 1355

Mr. SPRATT and Mr. COOKSEY changed their vote from "aye" to "no."

Mrs. CAPPS changed her vote from "no" to "aye."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. PEASE). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CARDIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 405, nays 18, not voting 11, as follows:

[Roll No. 457]

YEAS—405

Abercrombie Armyey Baldacci  
 Aderholt Baca Baldwin  
 Allen Bachus Ballenger  
 Andrews Baird Barcia  
 Archer Baker Barr

Barrett (NE) Evans  
 Barrett (WI) Farr  
 Bartlett Fattah  
 Barton Filner  
 Bass Fletcher  
 Foley  
 Forbes  
 Ford  
 Fossella  
 Berman  
 Berry  
 Biggert  
 Bilbray  
 Bilirakis  
 Bishop  
 Blagojevich  
 Bilely  
 Blumenauer  
 Blunt  
 Boehlert  
 Boehner  
 Bonilla  
 Bonior  
 Bono  
 Borski  
 Boswell  
 Boucher  
 Boyd  
 Brady (PA)  
 Brady (TX)  
 Brown (FL)  
 Brown (OH)  
 Bryant  
 Burr  
 Burton  
 Buyer  
 Callahan  
 Calvert  
 Campbell  
 Canady  
 Capps  
 Capuano  
 Cardin  
 Carson  
 Castle  
 Chabot  
 Chambliss  
 Clay  
 Clayton  
 Clement  
 Clyburn  
 Coble  
 Collins  
 Combest  
 Condit  
 Conyers  
 Cook  
 Cooksey  
 Costello  
 Cox  
 Coyne  
 Cramer  
 Crane  
 Crowley  
 Cubin  
 Cummings  
 Cunningham  
 Danner  
 Davis (FL)  
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 Davis (VA)  
 Deal  
 DeFazio  
 DeGette  
 Delahunt  
 DeLauro  
 DeLay  
 DeMint  
 Deutsch  
 Diaz-Balart  
 Dickey  
 Dicks  
 Dingell  
 Dixon  
 Doggett  
 Dooley  
 Doolittle  
 Doyle  
 Dreier  
 Duncan  
 Dunn  
 Edwards  
 Ehlers  
 Ehrlich  
 Emerson  
 English  
 Eshoo  
 Etheridge

Lewis (CA)  
 Lewis (GA)  
 Lewis (KY)  
 Linder  
 Lipinski  
 LoBiondo  
 Lofgren  
 Lowey  
 Lucas (KY)  
 Lucas (OK)  
 Luther  
 Maloney (CT)  
 Maloney (NY)  
 Markey  
 Martinez  
 Mascara  
 Matsui  
 McCarthy (MO)  
 McCarthy (NY)  
 McCreery  
 McDermott  
 McGovern  
 Sherman  
 Sherwood  
 Shimkus  
 Shows  
 McIntyre  
 McKeon  
 McKinney  
 McNulty  
 Meehan  
 Meek (FL)  
 Meeks (NY)  
 Menendez  
 Metcalf  
 Mica  
 Millender-  
 McDonald  
 Miller (FL)  
 Miller, Gary  
 Miller, George  
 Minge  
 Mink  
 Moakley  
 Mollohan  
 Moore  
 Moran (KS)  
 Moran (VA)  
 Morella  
 Murtha  
 Myrick  
 Nadler  
 Napolitano  
 Neal  
 Nethercutt  
 Ney  
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 Price (NC)  
 Pryce (OH)  
 Quinn  
 Radanovich  
 Rahall  
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 Rohrabacher  
 Ros-Lehtinen  
 Rothman

Smith (NJ)  
 Smith (TX)  
 Smith (WA)  
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 Spence  
 Spratt  
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 Stearns  
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 Stump  
 Stupak  
 Sununu  
 Sweeney  
 Sensesbrenner  
 Tancredo  
 Tanner  
 Tauscher  
 Tauzin  
 Taylor (MS)  
 Taylor (NC)  
 Terry  
 Thomas  
 Thompson (CA)  
 Thompson (MS)  
 Thornberry  
 Thune  
 Thurman  
 Tiahrt  
 Tierney

NAYS—18

Ackerman  
 Bateman  
 Cannon  
 Chenoweth-Hage  
 Coburn  
 Frank (MA)  
 Gejdenson  
 Graham  
 Hostettler  
 Jackson (IL)  
 Jones (NC)  
 Manzullo  
 Paul  
 Payne  
 Sanford  
 Scott  
 Shadegg  
 Waters

NOT VOTING—11

Engel Jones (OH)  
 Everett McCollum  
 Ewing McIntosh  
 Jefferson Owens  
 Towns  
 Vento  
 Young (AK)

□ 1412

So the bill was passed. The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. OWENS. Mr. Speaker, today, I was unavoidably absent on a matter of critical importance and missed the following vote:

H.R. 4115 (rollcall No. 454), to authorize appropriations for the United States Holocaust Memorial Museum and for other purposes, introduced by the gentleman from Utah, Mr. CANNON, I would have voted "yea."

On the amendment to H.R. 4678 (rollcall 455), introduced by the gentleman from Virginia, Mr. SCOTT, I would have voted "aye."

On the motion to recommit H.R. 4678 with instructions (rollcall 456), introduced by the gentleman from Virginia, Mr. SCOTT, I would have voted "aye."

On passage of H.R. 4678 (rollcall 457), to provide more child support money to families leaving welfare, to simplify the rules governing assignment and distribution of child support collected by States on behalf of children, to improve the collection of child support, to promote marriage, and for other purposes, introduced by the gentlelady from Connecticut, Mrs. JOHNSON, I would have voted "yea."

GENERAL LEAVE

Mrs. JOHNSON of Connecticut. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4678.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

DEATH TAX ELIMINATION ACT OF 2000—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore. The unfinished business is the further consideration of the veto message of the President of the United States on the bill (H.R. 8) to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

(For veto message, see proceedings of the House of September 6, 2000, at page H7240.)

The SPEAKER pro tempore. The gentlewoman from Washington (Ms. DUNN) is recognized for 1 hour.

Ms. DUNN. Mr. Speaker, for purposes of debate only I yield 30 minutes to the gentleman from New York (Mr. RANGEL).

Mr. Speaker, I yield 2 minutes to the gentleman from the great State of California (Mr. HERGER).

Mr. HERGER. Mr. Speaker, Americans are being taxed at the highest rate since World War II. The worst example of this is the death tax, a provision that punishes Americans trying to leave a family farm or small business to their loved ones. Instead of being left a legacy built on hard work and dedication, grieving families are subjected to taxes so high, many are forced to sell their inheritance just to pay the IRS.

□ 1415

That is completely unfair. In my northern California district, some of the leading employers are family farms and small businesses. These hard-working Americans deserve tax fairness and the opportunity to pursue the American dream without being punished by the IRS. Let us do the right thing by voting to override the President's veto of the death tax.

Mr. RANGEL. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, we are about to embark on the closing of this session and the question is whether we can get something done in a bipartisan way or whether or not we are going to move forward and have tax policy by looking for vetoes and by press conferences.

Clearly, everybody knows if my colleagues had any concern at all about small businesses and farmers being protected by estate taxes, then my colleagues would have joined with Democrats and petitioned the President to sign a bill so that we can give them instant relief, I mean relief now, not like this 10-year plan that my colleagues have that is going to bust the bank.

There is still time for us to work together on this and other matters. If, on the other hand, Republicans would rather have sound bites rather than sound tax policy and attempts to just make it an issue that the President has vetoed this, then we will not have an opportunity to come together and agree on a compromise so that we can both go home and tell the small business people and the farmers that we have protected them against inheritance tax.

So what I am suggesting to my colleagues, we can have our differences, but let us try to set a tone this evening that as we conclude this session that we will be in a better position to compromise and to get something signed into law. It is ridiculous to assume that every time we have an agreement that we are going to kick it up a notch and take away from the surpluses such an extent that we cannot give targeted tax cuts, that we cannot give prescription drug benefits to our aging, that we cannot give some assistance to our working families.

Mr. Speaker, this is the first volume to see how we are going to carry ourselves as we conclude this session, and I do hope that, even though we may disagree, that we do not have to be disagreeable.

Mr. Speaker, I reserve the balance of my time.

Mr. STARK. Mr. Speaker, I rise today in vehement opposition to the GOP's attempt to override the President's veto of the repeal on estate taxes. President Clinton and my Democratic colleagues were right the first time on the estate tax and nothing has changed. This bill gives the wealthiest 5 percent of all Americans a \$105 billion tax break. This is just one more fiscally irresponsible bill to consume the non-Social Security budget surplus revenues before we address the needs of working families.

If Congress overrides the veto of H.R. 8, we will be well on our way to giving \$649 billion over 10 years in tax breaks for the wealthy. None of these tax bills will help working families. But passing a feasible and affordable Medicare prescription drug benefit will help all working families—not just wealthy families. Governor Bush, and my Republican colleagues, prefer to spend more money on the dead through the estate tax repeal, than on those who are living and need a worthwhile prescription drug benefit. Governor Bush proposes a prescription drug benefit that would force seniors to pay high out-of-pocket-expenses that lacks the guarantee of comprehensive coverage. Seniors need a solid prescription drug plan that offers them guarantees and predictability. They don't need a repeal in the estate tax. The GOP needs to reassess its priorities.

Offering a Medicare early buy-in plan to those who retire early but need health coverage will also help America's working families. The men and women in my district don't sit on estates worth \$20 million. They are forced to work until they are physically unable. When that time comes for those working men and women, I want to give them something back. I don't want to have to tell them that the 106th Congress spent their Medicare prescrip-

tion drug benefit, or early buy-in health insurance on a tax break for Bill Gates.

All of the benefits from estate tax repeal will go to taxpayers in the top 5 percent income group. Those taxpayers earn at least \$130,000 per year. Ninety percent of the tax cut benefits will go to those in the top 1 percent income group—those earning \$319,000 per year. The GOP is attempting to mislead U.S. taxpayers through scare tactics. They have been throwing anecdotal "evidence" that family-owned businesses and farms face bankruptcy due to the evil estate tax. This is simply not true. For every dollar of farm estate tax cuts from H.R. 8, 99 dollars will go to other kinds of estates. For every dollar of small or family business estate tax cut benefits, 95 dollars or more will go to other estates. These other estates comprise the very wealthiest of all estates in the U.S.—those estates worth more than \$20 million.

The estate tax repeal—and the numerous other tax measures passed by the House—should be scrutinized with a measure of fairness. It hardly seems fair to come to the floor of the House week after week to provide hand over fist full of tax break dollars to the wealthiest U.S. taxpayers, when we haven't even addressed Medicare's solvency. In FY 2000, the federal estate tax, if left unchanged, is expected to raise \$27 billion. That's more than double the total amount of federal income taxes paid by the bottom half of all taxpayers. Some leading estate tax repeal advocates, such as Steve Forbes and Dick Armev would suggest that we triple taxes on the bottom half of all taxpayers—with their flat tax proposals—to make up the lost revenue from the estate tax repeal.

Our children will be hurt by the estate tax repeal. This bill costs over \$105 billion over 10 years and \$50 billion every year after 2011. We could rebuild or repair every one of our schools for a little over \$105 billion. We could also provide health insurance to 7.7 million of the 11 million children currently without health insurance for \$105 billion. We could also enroll an additional 836,000 children in Head Start with the \$105 billion Republicans want to spend on the wealthiest 2 percent of Americans.

Before any Member of the House votes to override this bill, I want you to consider the opportunities lost. This bill isn't about helping out family-owned businesses and small farms. It's about helping the wealthiest taxpayers in America and denying seniors a solid prescription drug benefit. I urge my colleagues to sustain the President's veto and vote no on this bill.

Ms. DUNN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the comments of the gentleman from New York (Mr. RANGEL), but the fact is that his proposal does not repeal the death tax.

Mr. Speaker, I rise today in strong support of this veto override and our bipartisan effort to eliminate the death tax. In his veto message, President Clinton made several arguments defending the taxation of death, and he proposed targeted tax credits for small businesses and family farms.

Unfortunately, this targeted approach being touted by President Clinton and Vice President GORE will target American families right out of relief. First, and perhaps most importantly, their proposal maintains the fundamental unfairness of the death tax.

It says that at the end of your life, after you worked hard to provide a legacy for your family, the government is still entitled to nearly half the fruits of your labor. I cannot accept this, Mr. Speaker, because it so grossly violates the fundamental virtues of thrift, diligence, and hard work.

Mr. Speaker, 95 percent of Americans believe that it is wrong to tax income during your life and then once again because you die to tax it once again.

Secondly, President Clinton and Vice President GORE believe that they can exempt family-owned farms and businesses by raising the family-owned business exemption to \$2.5 million. Well, I stand here to tell my colleagues that it will not work.

In 1997, with the very best of intentions, this Congress created the family-owned business exemption in order to try to protect small businesses from the devastating effects of this tax. In order to qualify for this exemption, however, a family must meet many statutory definitions. These definitions have proven to be so overly complex that most estate planners tell us only 3 percent of their clients even qualify. Worse yet, those families who attempt to claim relief under these definitions find that the IRS challenges them two thirds of the time.

So in the rare instance when a family qualifies, they find themselves spending thousands of dollars in attorneys fees to defend themselves from the IRS. Despite very good intentions, Congress simply cannot recreate in tax law the complex family relationships that exist in the real world, so the oppositions approach will not work. And we should not pretend that it will work.

The Clinton-Gore proposal maintains high death tax rates and provides hollow relief for family farms and for businesses. Most importantly, it does not repeal the death tax. There is only one way to rid the code of this immoral, unfair, and economically unsound tax and that is to eliminate it.

I urge my colleagues to keep their commitments to their constituents and to vote in favor of the veto override.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida (Mrs. THURMAN), a member of the Committee on Ways and Means.

Mrs. THURMAN. Mr. Speaker, over the years, I, too, have heard some small business owners and family farmers and I empathize with their situation and I have worked to provide estate tax relief to farmers and small business owners as we did in 1997.

I am supporting a fiscally responsible alternative that gives estate tax relief where it is needed. That proposal would provide a married couple with a farm

or a small business with a \$4 million estate tax exclusion in 2001. Today's phases in tax relief over the next 10 years. Let me repeat the choice before us, 10 years of waiting or immediate relief.

I do not want to face constituents who may lose a parent before the year 2010 and then learn that the promised estate tax relief does not exist. It is irresponsible for us to talk of relief in the future when we can provide that relief today.

Over the years, I have also heard from farmers and business people who recognize the importance of a strong economy which includes paying down the national debt. They agree with Alan Greenspan that a debt buyback helps the economy more than a tax cut.

If they knew that they could get a \$4 million benefit and a debt-free economy they would, too, be supporting this veto. Once the veto is sustained, the majority will have to explain to them why the promised tax relief in fact hurts their economic future.

During the earlier debate, I heard from a friend who is a family farmer and a transplant recipient. He asked me when he could expect estate tax relief and when he could get help for his prescription drugs. Under the majority's tax plan, he gets either one or the other.

Under the responsible \$4 million exclusion, he could get both tax relief and Medicare prescription drug benefits and a debt-free economy. Most of my constituents do not ask me about estate tax relief. They want Medicare prescription drug coverage.

If this veto is not sustained, they will get nothing to help them with their current needs.

The SPEAKER pro tempore (Mr. PEASE). Does the gentleman from Texas (Mr. ARCHER) claim the time of the gentlewoman from Washington (Ms. DUNN)?

Mr. ARCHER. I do, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Texas (Mr. ARCHER) controls the time.

Mr. ARCHER. Mr. Speaker, I yield 2½ minutes to the gentleman from Missouri (Mr. HULSHOF), a respected member of the Committee on Ways and Means.

(Mr. HULSHOF asked and was given permission to revise and extend his remarks.)

Mr. HULSHOF. Mr. Speaker, the question is a simple one, I say to my friend from New York (Mr. RANGEL), should the death of a family member be a taxable event? Should the passing of one's mother or father who have worked hard to build a business to pass on to their descendants, should that event, that personal tragedy, should that be a taxable event?

If my colleagues believe that it should be, then vote to sustain the veto of the President. If my colleagues think it should not be a tax event, then vote to override the President's veto.

Mr. Speaker, I appreciate the gentleman from Texas (Chairman ARCHER) for yielding me some time, and I suspect that we are going to hear throughout this period of debate the weary class warfare argument from the defenders of the death tax, that this is a tax for the wealthy.

Rather than get caught up in revenue projections and distribution tables and effective dates and whether we have an immediate tax relief or not in our prescription drugs, I would like to tell my colleagues briefly about a constituent family of mine, the Eiffert family. Howard Eiffert began a lumber business in 1965, with very little capital and through a lot of hard work has built a business, the Boone County Lumber Company, that now employs 30 full-time employees. His two sons, Greg and Brad, are looking forward to taking over that family business.

Howard is now 66 years of age and hopes that he can pass that lumber business on to his sons who want to continue the business. But because the tax is still on the books, Greg and Brad Eiffert are required to pay \$35,000 a year. Let me repeat that, Greg and Brad Eiffert, the sons of the founder of this business, are paying \$35,000 a year in annual premiums for a life insurance policy, the sole source of which proceeds will be used to hopefully pay off the entirety of the tax bill when that estate, that business is passed to the next generation.

Now, \$35,000 a year could hire a very good full-time employee, not to mention the fact that if they do not pay this fee every year, that the death tax will require the closure of the business, which means, in addition to the loss of the property taxes and the payroll taxes and the income taxes that they already pay, the loss of 30 steady paychecks. I urge this body to vote to override the President's veto.

Mr. Speaker, it is a shame that the House has to consider an override of the President's veto today. The President should have done the right thing and signed the bill to bury the Death Tax once and for all. Unfortunately, he didn't, and I rise to urge my colleagues to join me in voting to override the President's veto.

We have heard the same-old, tired class-warfare rhetoric from the defenders of the Death Tax. We have heard that it only benefits the rich. My friends, your vote should be based on one question and one question alone—do you think that death should be a taxable event? Should death trigger a tax as high as 55 percent on a lifetime's worth of hard-work? My answer is no. That is why we should undue the harm done by the President's veto pen.

We can talk about this issue in the context of revenue projections, distribution tables and effective dates. But I want to take a minute to tell you about the Eiffert family in Columbia, Missouri. In 1965, Howard Eiffert started Boone County Lumber Company. Today, his son Brad and Greg help run the business. Howard is now 66 years old and would like to pass the business on to his sons. But this isn't as easy as it seems. The Death Tax looms over this dream like a dark cloud. The Eifferts

pay \$35,000 a year in insurance premiums in preparation to pay the Death Tax when the day of Howard's passing comes. Howard and his sons Brad and Greg are the real faces of the so-called "rich" that supporters of keeping the Death Tax love to demonize. Keeping the Death Tax on the books is not fair. Fairness dictates that the Eiffert's hard-work should be rewarded, and the Boone County Lumber Company should continue into the next generation.

The Eiffert's situation is but one example of why we should kill the Death Tax. This tax is inefficient. It kills jobs. It punishes those willing to take risks and allows the tax code to wreck a lifetime of hard-work. But most importantly, retaining the Death Tax is plain wrong. I know it, and the Eiffert family certainly knows it.

Mr. Speaker, I urge my colleagues to vote to override the President's ill-conceived veto.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. STENHOLM), who certainly has a reputation of being a friend of the farmer and small business.

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, if we believe that repeal of the estate tax is more important than eliminating the national debt and protecting the integrity of the Medicare and Social Security trust funds, vote to override the veto of this bill.

However, if we agree that eliminating the national debt and protecting Social Security and Medicare is a more important priority than any new spending or tax cuts, then vote to sustain this veto.

Let me tell my colleagues what I am for. I am for estate tax relief for all estates up to \$4 million effective January 1, 2001. The Democratic alternative that could have been signed into law would have immediately repealed the estate tax for all family-owned small businesses, farms, and ranches under \$4 million and reduced rates on all other estates. It would provide immediate relief, instead of delaying relief for 9 years as the bill before us would do.

Now, we hear a lot today about the \$4.6 trillion surplus, but I would remind our colleagues in this body, these are just projections, and we know it.

Budget projections that have changed repeatedly for the good over the past 3 years, they could just as easily change for the worse in the next 3 years. What happens then if we have already pocketed and spent these surpluses?

It is easy to get applause in a town hall meeting by repeating the line "you deserve the tax cut because the surplus is your money" and that is the truth. But that line does not tell the whole truth. What it leaves out is that we still have a \$5.6 trillion national debt, \$7.9 trillion unfunded liability on Social Security and trillions of dollars of unfunded liabilities in Medicare and other retirement programs.

Those who justify massive tax cuts first by saying that the surplus belongs to the American people and should be

returned to them forget to mention that these debts also belong to the American people.

The cost of this bill before us that has been vetoed would keep growing and growing just at the time Social Security and Medicare began to face financial problems in 2010. Until we deal with the long-term financial problems of facing Social Security, we need to be fiscally responsible about any tax or spending bills that would place a greater burden on the budget in the next decade.

If my friends on the other side of the aisle who have been making speeches as we already heard about small business owners and ranchers are serious about helping these folks, I hope they will take the President up on his offer to sign legislation that would provide immediate and fiscally responsible estate tax relief for small businesses and family farms.

The folks I represent back home want a meaningful estate tax that is enacted into law, not more political speeches about whose fault it is that we did not accomplish anything. I want folks who have a farm and a ranch and a small business just like my friend, the gentleman from Missouri (Mr. HULSHOF) to be able to leave the fruits of their labor to their children, but I do not want to leave future generations with a massive national debt and unfunded liabilities in Social Security and Medicare because we want to do the politically popular thing in the year 2000.

□ 1430

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH), another respected member of the Committee on Ways and Means.

Mr. HAYWORTH. Mr. Speaker, I thank the chairman of our committee, I thank the Speaker, and I thank my friend from Texas who preceded me in the well, because he failed to point out one essential part of the equation. You see, it is legitimate to have differences of opinion and to disagree without being disagreeable, and Mr. Speaker, I think it is painfully apparent.

Our friends on the left believe there is a higher and better use for your money in the coffers of the Federal Government. My friend from New York said it very clearly in the Wall Street Journal: "We will have to figure out who hasn't been hit so hard and take away some of what they have earned."

But the other portion, my friend from Texas left out. Should the Vice President of the United States become President of the United States, just yesterday, Mr. Speaker, he outlined a budget plan that would spend all of the surplus; and while I do not doubt my friend from Texas' commitment to cutting the deficit and the national debt, the fact is our friends on the left had 40 years and they were so caught up in spending that they spent all the monies, including the Social Security monies.

So what we say is this, and, again, I would enjoin my friends to disagree without being disagreeable: the fact is there is a philosophy on the left to take away what people earn. The fact is also that many of our friends on the left, fully one-third of the minority, including every member of the Democratic Party serving here from Tennessee, voted for death tax relief.

We ask folks to join with us to say let us put this unfair death tax to death, because we can continue to pay down our debt and we can also get rid of this onerous tax. As my friend from Colorado has said, "no taxation without respiration." It is unfair to have to visit the undertaker and the tax collector on the same day.

I represent family farmers who are fiscally conservative, who care about Social Security and Medicare, but also care about their children and also care about their fellow citizens, and we should get rid of this tax. Vote to override the veto.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida (Mrs. MEEK).

Mrs. MEEK of Florida. Mr. Speaker, it is my pleasure to say to the House today that I am voting today to sustain the Presidential veto, and I would like to ask my Republican friends to refrain from putting Presidential politics into this issue.

This issue is extremely important. We have the lives of people who need Medicare, people who need Social Security. The vast majority of working families do not need us to cut funds away now for a tax break for the very, very rich. Two percent of the population will benefit from this tax.

I am saying to this Congress and to America, it is time now that we talked about people who need Social Security, people who need Medicare. The repeal of the Federal estate tax benefits a relatively small number of individuals. We have got to begin to think about the entire American public.

What about the rest of us? What about those of us who are on low and middle incomes who need better schools? You keep talking about better education. Let us put your money where your mouth is. You keep using political nuances. We must solve the problems of this country. We need less crowded schools; we need an increase in minimum wage. There are so many things we need before we take all of the money off the top for 2 percent of the wealthy.

Mr. ARCHER. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. TRAFICANT), this body's most outspoken advocate for the working people of this country.

Mr. TRAFICANT. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, World War I is over. It is time to stop taxing death. It is out of control. America is literally taxed from the womb to the tomb, from the doctor to the undertaker, and the

White House has blinders on. They say it helps the rich.

The facts are clear: the average small business in America spends \$35,000 a year on insurance, attorneys and accountants for their estate planning, and that does not include the tax they will pay down the road.

It has gotten so bad, and I wanted to compliment this chairman on this bill, that at one point in our history the estate tax was 77 percent. Seventy-seven percent. Are we nuts?

And this class warfare business that continues to hit the floor, rich man, poor man, is un-American. Whatever happened to the old slogan in America, "be all you can be"? Work hard, build a nest egg for your family.

The veto gives us a new slogan. The President is saying "join the pack, give it back. Share your nest egg. Be damned with your family. Hard work and industrial behavior does not mean anything in America."

Mr. Speaker, that is not capitalism; that is communism. That is not America; that is totalitarianism. That is wrong.

Is it any wonder America is taxed off? On behalf of many families, I say today, tax this. It is time to override this President's veto, and it is time for the Democrats to step up.

Enough is enough. This Tax Code has turned away families, rewarded dependency, penalized achievement, subsidized illegitimacy, and now takes us to the cemetery with a tax collector. Beam me up.

I will vote to override this veto, and I encourage every Member to look carefully at this vote. It is more important than just election politics for the White House.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. NEAL), a knowledgeable member of the Committee on Ways and Means.

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, the problem with what the previous speaker just said is that 98 percent of the American people are not affected by this. This is clearly an effort to reward 2 percent of the American people. That is what the estate tax is about.

Let me give you the strategy that has been employed here by the Republicans. Let us have a big tax cut, \$1.3 trillion. It went nowhere with the American people. Let us separate it out in pieces. It went nowhere with the American people. Let us contest the President's veto. It went nowhere with the American people. And do you know what, they are still at it. They are still at it, even though they see polling data that indicates clearly that the issue is crystallized and the public sides with us on this.

We could do something constructive on this issue. The Democrats came up with a great alternative here today, \$4 million of exemptions that would take

care of all of the people that they have noted here today.

The previous speaker said "override the President's veto." The overwhelming truth here is that the President offered a good fix on this issue, along with us in the Democratic Caucus, and the other side refused to accept it. Stand with the President on this veto today.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. CALVERT).

Mr. CALVERT. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise in opposition to the President's veto of H.R. 8, the Death Tax Elimination Act. One point I want to make, those 2 percent we keep hearing from our friends on the right, or on the left, I should say, those 2 percent hire a substantial amount of the people that work in this country. Keep that in mind.

This estate tax plan is simple, and we need to make sure that we sustain the President's veto.

It is disgraceful as a result of the estate tax more than 70 percent of family-owned businesses do not survive the second generation. Seventy percent of family-owned businesses do not survive the second generation.

Earlier this summer we had a vigorous debate about free trade, protecting jobs of American men and women, and then forcing 70 percent of Americans to sell off a family-owned business to protect American jobs. Is this the American dream? I do not think so.

This estate tax is simply Uncle Sam double-dipping into the pockets of hard-working Americans. First we pay income taxes, then Uncle Sam comes back for more and more taxes, and the estate tax, which is now taking 55 percent of the value of an estate upon death.

This estate tax is extremely hard felt in my State of California where land prices are extremely high. Please vote to override.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. DEUTSCH).

Mr. DEUTSCH. Mr. Speaker, this is an issue where there is truth on both sides. There are competing interests here. There is an interest in really dealing with hard-working Americans who have paid tax on their money, but there is also an interest of concentration of wealth.

As a society, do we really want a threshold of no threshold on estate tax? Someone being able to transfer \$20 billion, and families transferring \$20 billion? As a society, that is a bad thing.

I think what we need to do as we look at what the reality is, \$675,000 in today's world is not an acceptable number, and that number should be raised. We should have a debate and we should have policy, and we should not be playing games with the American people like the majority party is doing right now.

I have legislation that I am going to introduce literally right now that would raise that \$675,000 to \$5 million and index it for inflation. I do not know if \$5 million is the magic number, but the reality is that is what Americans want that would be good public policy; that would be a compromise that the American people would support and the President would probably sign.

If we want to make policy, pass this legislation, and stop playing games with the American people.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. MANZULLO).

Mr. MANZULLO. Mr. Speaker, I met Bill and Mary Cross and Richard and Judy Beuth in Northern Illinois. They are the 2 percent. They get up early, they work all day, just to put food on the table of Americans. They are only 2 percent; and, therefore, if we follow the minority, they are insignificant and they do not count. But they are America's farmers.

When Richard Beuth's mom died in 1995, and then dad died in 1998, for the privilege of being able to farm this Centennial Farm, which has been in the family for over 100 years, he had to mortgage the farm for \$185,000. They are not rich. These are American farmers, and I represented many of them as an attorney, and I was at the auction sale when the gavel fell that cut a family farm in half just to pay the death taxes. They are not rich. They put the food on the table of America.

Mr. President, look at them in the eyes, the ones who get up real early and work 20 hours a day, crying out for help. America's farmers are being called "rich" and "insignificant." This is the bill to help them out, Mr. President; and you vetoed it, and you looked at them right in the eye and you said "you don't count."

Well, they do count. The Crosses, the Beuths, the Wilmarths, the Eberts, the Kappenmans, the little people across the world that put the food on the table. They are America's farmers. It is because of them and for them that we should override this veto.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. BONIOR), our distinguished minority whip.

Mr. BONIOR. Mr. Speaker, I just heard from the distinguished gentleman from Illinois speak with passion, and I would say to him with all due respect that the plan that you have offered will take 10 years to phase in to help those farmers that the gentleman just talked about.

The plan that we have been talking about and we have been arguing for will cover up to \$4 million in exemptions for businesses and for farmers like the gentleman has just described, and it will take effect immediately. That is the difference.

Mr. Speaker, years from today, when historians consider the effort to repeal the estate tax, they will say never have

so many spent so much time to give so much money to so very few.

□ 1445

When I listen to the folks that I represent back home, and I know many Members have just come from their districts, what they are talking to me about is better schools, a stronger social security system, improving Medicare to include a prescription drug benefit. They want us to reduce the national debt.

That is what I think all of the Members are hearing. There are not a heck of a lot of people telling us to put these priorities on the back burner so we can repeal the estate tax for the Bill Gates' of the world.

There is a reason for that. Ninety-eight percent of all Americans will get absolutely nothing out of the estate tax, nothing. But there are a few people who stand to gain, they are the richest 2 percent of Americans, never mind that it will cost \$50 billion a year for the richest 2 percent to get the benefits of this bill.

Let me just conclude, Mr. Speaker, by saying that we have a sensible alternative that I have just described. It is a reasonable alternative. It goes into effect immediately. It is the better approach. It is the more responsible, fiscally, approach to this problem. I hope we will sustain the President's veto on this important piece of legislation.

Mr. ARCHER. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas (Mr. DELAY), the respected whip of the House.

Mr. DELAY. Mr. Speaker, I thank the chairman for yielding time to me.

Mr. Speaker, today we have a final chance to save family farms and small businesses that will be sacrificed to pay the unfair death tax. This vote is about whether or not we stop the Federal government from confiscating farms and businesses through an aggressive tax that attaches a penalty to the end of life.

It is not the top rich. The rich do not pay these taxes. It is people like me when I used to be in the pest control businesses. It is a plumbing business that puts all of its assets aside as they build this business and create jobs.

These are people that do not make \$100,000, \$200,000, \$400,000 a year. Most of the time these people take in \$60,000 or so to fund their own families. Then when they die, the government comes in in a very unfair way and takes their businesses, and also costs jobs because the people that work for those businesses lose their jobs because they have to liquidate in order to pay this onerous tax.

The death tax punishes Americans who achieve their financial dreams. What is worse, it targets American farmers and these small business owners that are trying to sustain what they have worked their whole lives to build. When the death tax comes due, the surviving relatives are already wrestling with the tough decisions that

follow a loss in their family, and this tax complicates matters by forcing family members to liquidate these farms and these small family businesses.

This is wrong. It is unfair. It has been unfair for years. Most Americans recognize that this tax sends the very wrong message. That is why voters overwhelmingly support our proposal to bury the death tax.

This debate also raises a critical question about our national priorities: Should surplus dollars be kept in Washington to be spent by politicians, or should that money be returned to the men and women who earned it?

Our position is clear. Republicans believe that the American people can identify and address their own priorities. We believe that they are far better equipped to know their best interests than any Washington bureaucracy ever can be.

Republicans support two options to return the surplus to the American people: We should either return the surplus to them through tax relief, or give the surplus back to the American people by paying down on the public debt.

By supporting this bill, by overriding the President's veto, Members will end the death tax today and empower American families tomorrow.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I represent the State of North Dakota. I represent more production acres of agriculture than any other Member of the House of Representatives. My, my, my, I have not heard so much concern about our family farmers in four terms in this Congress than I am hearing in the course of this debate.

The fact of the matter is, it is time for a little truth in advertising. This bill is not about family farms, this bill is about tax relief for the wealthiest few in this country.

Let us just take a look at the numbers to put this in perspective. Of taxable estates, those containing farm assets from 1995, 1996, and 1997 represented one-tenth of 1 percent of the taxable estates. That was before the increase, and a significant increase, bringing it to a \$2.6 million unified credit today.

It is time we raised that credit. We have had some powerful presentations on the other side. The comments of the gentleman from Illinois (Mr. MANZULLO) were particularly well done in terms of actually having gone to an auction and basically about a family having to sell assets to pay the estate tax.

If indeed that is the situation, even for a few family farms, let us address it and let us address it right now. The majority bill does not do that. The vetoed bill does not do that. It phases in this credit over time, leaving relief for

the very end for those families that are subject to so much discussion on the other side.

I want Members to look at this chart right here. This chart shows who is going to get help. The blue is the Democrat alternative. The red is the Republican bill. This is in year one of this Republican plan. We can see the help for these families is right now under the Democrat bill. They say, see us later, see us later, under the majority bill.

Okay, let us go down a few years. This is the year 2009, almost a decade from where we stand today, relief under the Democrat bill, and here is relief under the Republican bill, barely phased in. Basically, they have to wait 10 years if they are the kind of family farmer, if they are the small business owner that the other side is talking so much today about.

If the need is so urgent, and the majority whip said that this is the final chance, this is the final chance to save family farms and small businesses from being confiscated from the death tax, then why in goodness' name does he wait 10 years to phase in the relief?

If it is that much of a problem, let us do something about it and do it now. That is what the Democrat alternative does. We do it in a way that does not bust the budget, that does not take away our chance to pay off the national debt.

By skewing this whole package for the wealthiest few at the very top, they deprive relief to those who need it, and they bust the budget while they are at it.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. METCALF).

(Mr. METCALF asked and was given permission to revise and extend his remarks.)

Mr. METCALF. Mr. Speaker, the death tax is confiscatory taxation at its very worst. Many family farms and small businesses do not have the cash flow necessary to pay the inheritance tax. Many family farms and small businesses must go out of business and use the assets to pay this devastating tax.

This veto override is our opportunity to solve this situation, to do what is right for the small businesses of this Nation. Besides, the cost of collection of this tax eats up most of the receipts it brings in. We must override this very unwise veto.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. GREEN).

(Mr. GREEN of Texas asked and was given permission to revise and extend his remarks.)

Mr. GREEN of Texas. Mr. Speaker, I rise in opposition to the motion to override the President's veto of H.R. 8. Estate taxes do place a burden on American small businesses and farmers, but this vote is nothing more than a back-door attempt to enact the first installment of the \$2 trillion tax cut that my Republican colleagues want to do.

I guess it is frustrating, Mr. Speaker, because I wonder where our Republican progressives have gone to in seeing these kinds of tax cuts.

Let me read a quote that I picked up over the weekend: "I do not believe that any advantage comes either to the country as a whole or to the individuals inheriting the money by permitting the transmission in their entirety of such enormous fortunes as have been accumulated in America. The tax could be made to bear more heavily upon persons residing out of the country. Such a heavy progressive tax is of course in no shape or way a tax on thrift or industry, for thrift and industry have ceased to possess any measurable importance in the acquisition of the swollen fortunes of which I speak."

I will not read the rest, but that was by Theodore Roosevelt, a progressive Republican who knew what it was not to let the richest people in this world save taxes where it should be spent.

America is about a democracy, about saying, hey, let us give everybody a chance. Sure, we can take care of the family farms, of the small businesses, and in parts of the country where our homesteads and houses have accumulated, that would be done. But the Republican strategy is going to fail because it means that there will be no estate tax relief this year or next year for small businesses and farmers.

Our colleagues, if they were serious about an estate tax, they would have worked with some of us and said, hey, we had an alternative that took care of all the problems we hear about, whether it is the local auction or not. But does Bill Gates really need a tax cut anymore than the Rockefellers did in the last century? No.

The Republican plan helps the wealthiest 2 percent of the American families and does nothing for the 98 percent of Americans who are still out there. What we need to do is pass real estate tax relief that will help the small estates, family farms, and the people who have their family homes. That is what we need to do.

I would hope that we would override this veto, because then it takes a big chunk out of trying to also pay down the debt, take care of social security, Medicare, the defense of our country, everything else we want to do.

Let us do something reasonable. We can make estate tax cuts part of the package before the end of this year, but we need to do it after we sustain this President's veto.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. COX).

Mr. COX. Mr. Speaker, I thank the chairman for yielding time to me.

I have heard here an attempt to make this debate one about the super rich instead of the family next door; to make it about only 2 percent of the super rich instead of half of the American population; to make it partisan, when in fact it is very bipartisan.

This legislation went to the President backed by Democrats and Repub-

licans. A big number of Democrats supported this, 65, in this House. While AL GORE is campaigning it as some Republican plot, the entire delegation of Tennessee voted for this, including all of the Democrats, including our distinguished African-American colleague, the gentleman from Tennessee (Mr. FORD), a keynote speaker at the Democrat convention.

Before we question the motives of people supporting abolishing the death tax, let us consider that more is at stake here. This is not about the super rich. Bill Gates will never pay this tax and everyone knows it. Those are the only people who we know to a certainty who will never pay this tax.

But working men and women will pay not just the 55 percent, not just the 60 percent confiscatory rate, they will pay 100 percent when they lose their jobs, when the business for which they work is sold out to pay the tax man. It is time for the death tax to die.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes and 10 seconds to the distinguished gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, there they go again, Fantasy Island. The Republican majority would rather fight for the wealthiest interests in America than agree to eliminating the estate tax for 98 percent of Americans. They would rather put at risk the soundness of our economy, the stability of social security, the reliability of Medicare, and the ability to pay down the debt while investing in our children's education than give up on a plan that gives a \$10.5 million average cut to 329 estates, and a \$50 billion cut to the top 2 percent of estates. That is the truth.

The truth is more than half of the benefits of this Republican bill will go to less than one-tenth of 1 percent of all Americans. I support the Democratic alternative which gives all estates relief now, not 10 years from now, as this bill does.

The President was right to veto this bill. He wants and I want a tax relief bill which is fiscally responsible and is targeted for the majority of working families. This bill would drain more than \$50 billion annually to benefit just thousands of families while taking resources that should be used to strengthen social security and Medicare for millions of families.

□ 1500

I want tax cuts which will protect family farms and small businesses, but that will also help families send their kids to college, provide for long-term care, pay for child care, and help communities build badly needed schools.

We can do this, Mr. Speaker, if the Republican leadership will sit down at the table of democracy and reach agreement with those of us who were also elected to reason with one another on behalf of the American people.

If the majority will unlock itself from the grip of the special interest, we can legislate constructively and coop-

eratively on behalf of all of the people and just not for a very few of the people. Let us sustain this veto.

Mr. ARCHER. Mr. Speaker, I yield 1½ minutes to the gentleman from Illinois (Mr. CRANE), a respected member of the Committee on Ways and Means.

Mr. CRANE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I would like to read to my colleagues a letter that I received just yesterday from a constituent of mine in Barrington, Illinois.

"Dear Congressman Crane: I urge you to override President Clinton's veto of H.R. 8 (death tax elimination).

"I personally have a friend whose grandfather owns a farm which has been in his family since 1732. When he passes away, his family will have no choice but to sell the farm in order to pay the death tax.

"Every person who owns such a property or business started up with money which was saved after paying regular income taxes earlier. It just doesn't seem fair to force them to sell or pay again.

"Sincerely, Roger Hedberg, Sr."

The death tax means an end to a family's heritage. That farm has been in the family for 268 years. If someday they sell the family farm it should be their own choice. They should never be compelled to do so to pay a tax that should never have been enacted.

The death tax is an immoral, obscene tax. It is a tax belonging to a philosophy of envy, fear and greed. That is the wrong philosophy for America in the 21st century.

The death tax should be repealed immediately, and I urge my colleagues to do the right thing and vote to override the President's ill-advised veto of this bill.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, my colleague the gentleman from Texas (Mr. DELAY), the Majority Whip, asked the question do we spend the surplus or do we send it back? I would remind the gentleman from Texas (Mr. DELAY) that, when he first came to Congress, our Nation was about \$1 trillion in debt. It is now \$5.7 trillion in debt.

See, contrary to what some folks would have us think, the debt is not only disappearing, it is growing and it is growing by the month. These figures are all available in the monthly Treasury statements. I encourage every American to look it up on the World Wide Web.

See if you do so, you will discover that just in the past year, the debt of this Nation has increased by \$40 billion, \$40 billion. That is 40,000 million dollars that we are more in debt than we were a year ago.

They do talk about a surplus, and there is a surplus. But the only surplus is in the trust funds, things like the Social Security Trust Fund, things like

the Medicare Trust Fund, things like the Military Retiree Trust Fund. See, if we remove the trust funds, then we spend \$13 billion more than we have collected in taxes.

So when the gentleman from Texas (Mr. DELAY) and others say let us give 2 percent of the American people a tax break, I ask them, and please answer me, whose trust fund are they going to steal it from?

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. ARMEY), the highly respected Majority Leader of the House.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, every day of their life, moms and dads all over this great Nation get up and go to work. They go to work and they earn a living. They take care of their family. They try to build a home. They try to educate their children. They pay their bills faithfully, decent, honest, hard working American people. From every dime's worth of income they earn during the year, they pay their taxes faithfully. When there is something else, they try to save, and maybe they tried to build, and maybe they try to accumulate something.

As they work all their life for their children's well-being, for their comfort, for their safety, their security, their health, they also believe that, if we are really successful, mom, we do a good job, we keep the family farm together, we build this small business into something, create a few jobs for some of our friends and neighbors, when it is all over, we might be able to leave it to our children. They are not working that hard. Paying their taxes, paying their bills, saving, being double taxed on what little bit they can save, watching their little business grow because they are looking forward to the day when they die and leave it to the government.

Yet, this government, with its tax code which is rife with silliness, disincentive, hurt and harm for every American for every time they ever do the right thing stands uncorrected.

The gentleman from Texas (Mr. ARCHER) has labored in his vineyard for 30 years. For 30 years he has seen the silliness multiply in the Tax Code. Today he said let us just take one onerous, obnoxious, wrongful, unfair provision out of the Tax Code.

Let us stop the death tax. Why? It is not about the money. If my colleagues think it is about the money, they have missed the point. It is about the character of our Nation. It is about loving a Nation that loves its children and build its own future.

Yes, we have prosperity. The American people gave it to us, not this Federal Government. Because we have prosperity, we have \$268 billion in budget surplus.

For the 30 years that the gentleman from Texas (Mr. ARCHER) was here, 26 in the minority, not one dime was ever committed by Congress when the

Democrats were in the majority to buying down a penny's worth of national debt. They raided the Social Security Trust Funds and spent it on all kinds of risky spending schemes. They went on and paid all that debt and let it mount up.

Now America, because it built its small businesses and sustained its small farms, America gave us the surplus. Eighty-five to 95 percent of this surplus is already committed to debt reduction. In just the last few years since the Republicans took the majority, we will have paid down by the end of this year nearly a half a trillion dollars in debt. That is 500 billion dollars in debt.

After that, we said let us get rid of one onerous, obnoxious, stupid, unfair provision of the Tax Code, the death tax. The Democrats as always, as always, with every tax reduction one ever brings to the floor of this House, label it a risky tax scheme for only the best, only the richest, and they regret that that fellow is going to die and get a tax break.

Well, let me remind my colleagues, Mr. Speaker, one does not give the dead guy a tax break. He is in his grave. What one does is abstain from stealing his life's work legacy from his children. That is right. To take a man and a woman's lifetime's work away from their children is wrong. No government should do that, certainly not a government that embraces American values and family values. It is wrong.

The gentleman from Texas (Mr. ARCHER) is correct to be here where he is today in his 30th year of service of the Congress of the United States. He says once, once in 30 years, let us do something that is right in the Tax Code, let us get rid of some silliness, add some sanity.

I applaud the gentleman from Texas (Chairman ARCHER), and I implore all of my colleagues to vote to override the President's ill-advised veto. Hold that family estate, that family farm, that small business for the children of that loving mother and father that worked so hard for all those years, and keep those jobs for those loyal employees who would otherwise be driven out of work. Let us do the right thing. Just once in 30 years, join with the chairman and do the right thing.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. PASCARELL).

Mr. PASCARELL. Mr. Speaker, I rise to explain why I will vote to uphold the President's veto today.

I am on RECORD as having voted for H.R. 8 as well as the Democratic plan. The estate tax puts an undue burden on small business owners and farms who are the heart of America's middle class, often making it difficult to pass their enterprises on to family members.

It is my firm belief that the estate tax in its current form needs to be changed. There is no argument there on either side. The President has

shown that he is willing to sit down and work out a solution with all parties rather than this be bipartisan.

He said and wrote to us, the entire House of Representatives, on August the 31st, "I am returning herewith without my approval H.R. 8, legislation to phase out Federal estate, gift, and generation-skipping transfer taxes over a 10-year period. While I support and would sign targeted and fiscally responsible legislation that provides estate tax relief for small businesses, family farms, and principal residences along the lines proposed by the House and the Senate Democrats. . . ."

This should not be a partisan issue. I am opposed to allowing taxpayers to be pawns in an election year battle. This political posturing today is unfortunate. I have voted for many of the very taxes that have been proposed on both sides of the aisle, and I voted for the repeal of this tax. But we need to take a look at all of this together. As we say in science, the gestalt, the total body of proposed tax cuts to see what it adds up to.

We cannot jeopardize the surplus, and we cannot jeopardize future generations. This is what we need to be smart about. Before this is all over by October 1, I am sure we will be.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. SAM JOHNSON), a respected member of the Committee on Ways and Means, and a great American hero.

(Mr. SAM JOHNSON of Texas asked and was given permission to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, we must repeal the death tax that penalizes American values. The dollars are there, unlike what the gentleman from New Jersey (Mr. PASCARELL) ahead of me said.

Unfortunately, the Clinton-Gore administration and most of their Democratic allies support the death tax, and yet they make all sorts of arguments to justify yet another unfair tax. Do not believe them. They are up to their old class warfare tricks.

Here is the truth. For too long the death tax has punished our families and small businesses. The death tax punishes families who save and who have worked hard all their lives. Worst of all, the death tax punishes their grieving children who have to sell their parents hard-earned assets just to pay the tax man. The death tax punishes those workers who are employed by the small businesses and farms. That is just not right.

Americans hope to achieve the American dream and be able to share the fruits of their success with their children. We do not need Washington tax collectors operating a toll booth on the way to heaven. Unfortunately, President Clinton and his fellow supporters of the death tax just do not get it. They think Washington is more important than American values.

There were 65 Democrats who voted to repeal the death tax in June. Will

they have the courage to do what is right for America, or will they change their vote and blindly follow their party in an election year? Enough is enough. It is time to start repealing taxes on American values. Get rid of that toll booth on the way to heaven. Repeal the death tax.

Mr. RANGEL. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, the moment of truth has arrived, and that is do we want to give relief to small business people in connection with estate taxes and to farmers, or are we really looking for a campaign issue; and that is that we force the President to have a veto.

Clearly, there is a way to give relief immediately, and that is to sustain the President's veto and demand that, as we conclude our work in this session, that the President give some priority to giving relief to estate taxes.

I can assure my colleagues, in speaking on behalf of the Democrats, that we would like to join with you in this effort where we can go home and campaign on so many other issues that we disagree with. But at least on this issue, we would be able to say that all estates that come up to \$4 million would be exempt, that all individuals would automatically have \$1 million exemption.

□ 1515

Oh no, it would not take care of the very, very, very rich; but it would take care of the working people that work every day and protect the assets that they leave for their children and their children's children.

Now, it is true that we can fight on each and every issue. We can fight against prescription drugs for the elderly, we can fight in terms of giving tremendous tax cuts, again to the very rich; but it would seem to me that we would be enhancing the reputation of this great august body if we could just find something that we could agree on and just not dismiss the Democratic alternative.

We know that our Republican colleagues know that we protect the people that should be protected under our substitute. We know that the President would never have vetoed this bill if he thought it was the right thing to do by the people who could be hurt with an estate tax. And the most important thing is that the American people can tell the difference between a political ploy and those people who want to provide a legislative solution to what amounts to a real problem.

Again, I am saying that Republicans and Democrats have not talked with each other too much during the last couple of years; and that is mainly because, well, they have chosen to look for confrontation; they have chosen to take the areas that we agree with and kick it up a notch to make certain that the President is going to veto. This is so whether we talk about minimum wage, the marriage penalty tax, and now as we deal with estate taxes.

I would suggest, Mr. Speaker, to those people who want to support the President, support the American people, support small businesses, support the farmers, that this is a great opportunity for us to reach across the aisle and have this bipartisan effort so that we can tell the American people that we can work together, even though we did not start off that way. This is an opportunity for us to do it, and I suggest to my colleagues that we try working together before the election, at least on this bill.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee (Mr. WAMP).

(Mr. WAMP asked and was given permission to revise and extend his remarks.)

Mr. WAMP. Mr. Speaker, greed is a bad word; but profit is a good word, and we have got to separate the two.

I do not like all the class warfare that has been played on this issue. But while we are talking about it, let me say to my colleagues that if they want big corporations and multinational corporations to buy small businesses at a fire sale price from small business people who are the engine of the American economy, then vote to defend the President's veto here. My colleagues should want to side with small business people and not with large corporations and multinational corporations that are going to gobble up all these small business people. That is literally what happens when a fire sale is forced. That is not fair. That is not right.

But let us not trash the free enterprise system. It is what people in Eastern Europe and the Soviet Union really wanted of the American Dream, an opportunity to have things for their family that they never had or to have a business and to literally go to work and know that the sky is the limit on opportunity.

So let us defend the free enterprise system, but let us most importantly defend the small guy, the small business people and the family farmer. That is what we are trying to do. It is the right thing. And I do think everybody should join in in a bipartisan way.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Speaker, I thank the gentleman for yielding me this time.

I think we see ourselves in a situation that is good news-bad news. The good news is that we are talking about reform, and there is no dispute in this country that we need reform. Everybody is talking about it. The Democrats have had an alternative; the Republicans have a total repeal. The bad news is that there is no real interest in reform. It is just interest in sending a message.

If my Republican colleagues were really interested in pure tax reform and helping the people they talk about, they would have gone down and worked out with the President something he

would sign. And he said he would sign something as long as it was reasonable. But this is just total repeal. And my colleagues knew that he would veto that, and that is mean.

I am one of those who voted with my Republican colleagues because I thought perhaps they would lead us into a meaningful discussion of how we could have reasonable inheritance tax reform. My colleagues have not done that. They have failed in that leadership. They have been more interested in a political message than in trying to solve this problem in the United States. Shame on them.

And that is why some of us are going to start supporting the President in his veto, because the Republicans did not want reform, they just wanted a message.

Mr. RANGEL. Mr. Speaker, I yield the balance of my time to the gentleman from Missouri (Mr. GEPHARDT), our distinguished minority leader.

(Mr. GEPHARDT asked and was given permission to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker, I rise today in strong support of the President's veto, a veto that speaks volumes about the differences that divide us, about our competing agendas.

This weekend I was back home in my district in St. Louis; and I went door to door, as I always do, and I heard from the working families who live in my district. In all the many conversations I had with my constituents, I did not get one question about what we were going to do to get rid of the estate tax. I did not hear one soul tell me to wipe out taxes for the wealthiest 2 percent of the American people.

The people in my district, like I expect the people in my colleagues' districts, are not interested in tax breaks for the wealthiest Americans. They are not interested in going back to the Reagan years, the Bush years of red ink and large deficits and high interest rates and high inflation and high unemployment.

Let me tell my colleagues what the people did talk about. They talked about when we are going to get a prescription medicine program for senior citizens in Medicare. They talked about getting protections from HMOs and insurance companies, so that, God forbid, the doctors and nurses were making important medical decisions and not accountants and HMO executives. They talked about education. They talked about school buildings. They talked about teachers. They talked about getting rid of guns in schools. They talked about Social Security and Medicare. They talked about paying down the national debt. They talked about doing something about middle-income tax relief.

Please hear this, my colleagues. This bill is a bad bill. It is a reckless bill. It does absolutely nothing for 98 percent of the American people. Now, we proposed an alternative that would get something done if our friends would

compromise. We said, let us give immediate relief to more than half the people with the smaller estates. We said, let us cut the estate tax immediately by 20 percent. We said that we can relieve 99 percent of all small businesses and family farmers from paying any estate tax.

We could have done that months ago. We can do that today. The President would sign a bill that was our alternative, that would give people immediate needed relief from the estate tax. But we did not do that, because, I guess, we have to spend this precious time on the floor getting this veto sustained.

This bill would give the largest 330 estates nationwide more than \$10.5 million in tax cuts, on average, every year. These estates are valued at more than \$20 million apiece and, meanwhile; 98 percent of our people would not see a dime in tax cuts. Add it up. When we add up all the figures, we are draining our surpluses. This bill in the second 10 years would cost over \$750 billion.

Let me finally say this. Last year, the Republicans sent us a trillion dollar tax cut. The President vetoed it. They did not even bring it back here for an override. So this year there was a better idea: let us cut it up into little sausage pieces and maybe we can fog one past the American people.

People do not want to spend the majority of this surplus on tax cuts, and they sure do not want to spend it on tax cuts for the wealthiest Americans. They want us to pay down the national debt. They want us to take care of Social Security and Medicare. They want us to spend these last days that we have on the floor in this session doing prescription medicine for our senior citizens in the Medicare program, getting a patients' bill of rights, and doing something to have better school buildings and more teachers and better education. They want us to have a minimum wage increase. They do not want this bill.

I urge Members to sustain the President's veto. Let us come back with the Democratic alternative. Let us get something done for the American people. Let us pay down the debt.

Mr. ARCHER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, today we continue our commitment to end the death tax that haunts American families, farms and businesses. Today, we try to break the logjam created by yet another veto by a President who is determined to stonewall bipartisan actions by the Congress of the United States.

I listened with fascination to the minority leader who just spoke. Yes, there are differences that divide us. Major differences. Six years ago he proposed to reduce the exclusion in the death tax to \$200,000. Where is this new-found change in his position? The change came because the Republicans got a majority in the Congress that year. So today the Democrats say, oh, but we have a better alternative.

The gentleman even referred to what revenue losses will occur in the second 10 years. Who knows? No revenue estimator, public or private, can give us that number. The longest estimate that is out there is 10 years. But what we do know is that in our bill, that the President has just vetoed, the capital gains tax occurs on every sale of an asset from the wealthy estates left by the Bill Gateses of this world. Now, the Democrats do not tell us that. That is fairness.

We say death as an event should not trigger a tax. But when those assets are sold, handed down by the very wealthy, the tax is paid. That did not show up until in the second 10 years, but we do not get a revenue estimate on that because the estimators will not look out that far.

So I listen to this rhetoric of these numbers that are thrown around that are unsupportable and then the Democrats say, we will give immediate relief to the small businesses. But it is a shell game, another Democrat shell game. We think that our relief is under the shell, yet when we pick it up, the bean is not there. Because it is a fact that under the small business and farm exemption, only 3 percent of the people ever qualify for it. In the meantime, they have spent millions of dollars on estate planners.

So the Democrats say they are giving us something, but only 3 percent of the people they say they are going to help will ever qualify. Now, that is a reality. Just talk to anybody who knows anything about estate planning.

Repealing the death tax is the right thing for America. In the land of the free and the home of the brave it is astonishing that we let people be taxed after they die. That is certainly not the American Dream. It's an American nightmare.

My friend from Texas says people get taxed on their way to heaven. I say the death tax has given purgatory a new meaning. Death as an event should not trigger a tax. That is wrong. It should occur, as I mentioned, when the assets are sold.

Some have said the death tax is ghoulish, to think that someone who works for an entire life building up wealth, saving for children, starting a business, running a farm or ranch and paying taxes the entire time gets hit once more from the grave. But as my friend, the gentleman from Texas (Mr. ARMEY), said, it is not the one who dies who pays the tax. It is the heirs who are left.

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Now the Democrats will say, Oh, there are only 2 percent of the people that are affected, 98 percent get nothing; the 2 percent that die are not the receivers of the legacy, it is often spread out amongst hundreds of people. And they do not consider the jobs that are created by the 98 percent who work in those family farms and businesses unaffected. They say they are unaf-

ected. They are affected directly. They lose their jobs.

Oprah Winfrey had it right when she said, I get angry every time I think about when I die, the Government will take 55 percent of what I have earned and saved. And why I am angry is because I have already paid taxes once. Why should I be taxed again? That is unfair.

The ancient Egyptians built elaborate fortresses and tunnels and even posted guards at tombs to stop grave robbers. In today's America, we call that estate planning, millions of dollars paid every year for estate planning.

This bill really helps those people who are going to be hit by a hidden tax. Because any middle-income American that has savings and 401(k)s and IRAs will pay a 73-percent tax on their IRAs and their 401(k)s at the time of their death.

This is unfair and we should repeal it and vote to override the President's veto.

Ms. PELOSI. Mr. Speaker, the federal government must not impose an excessive tax burden on working families, and I support targeted tax cuts to help families meet their needs and save for the future.

However, the Republican bill to eliminate the estate tax (H.R. 8) would cut nearly \$50 billion from the federal budget per year once fully phased in. Such substantial cuts would harm our ability to strengthen Social Security and Medicare, provide a prescription drug benefit to seniors, pay down the national debt, and provide our essential government services.

I am very concerned about the impact these cuts would have on families, businesses and communities across the country. In addition, the benefits of this cut favor the wealthiest 2% of Americans.

When we prioritize tax cuts over health, education, and labor, we make sacrifices that impact all Americans. We saw this in the House Labor/HHS/Education Appropriations bill where the proposed \$175 billion Republican tax cut translated into significant cuts in these important programs. Working families are being asked to make these sacrifices in exchange for a tax cut that would give \$300 billion to the 400 richest Americans. \$300 billion would pay for a prescription drug benefit for seniors for 10 years!

President Clinton has stated that he would support estate tax relief that is targeted to farm and small business estates. I agree that we should target estate tax cuts to the small businesses and farmers in greatest need. Democrats have offered a substitute that raises the special exclusion for farm and small business estates from \$675,000 to \$2 million per person. Any unused portion of the exclusion can be transferred to the surviving spouse, meaning that the total exclusion for farm and small business owning couples would become \$4 million.

The substitute also increases the general exclusion to \$1 million by 2006 and lowers the top marginal estate tax rate from 55% to 44%.

The cost of our bill is approximately \$22 billion over ten years. Not only is the Democratic approach more fiscally responsible, I believe that it is a much better alternative for small

business owners and farmers because it will benefit nearly all of their families, and it provides immediate relief rather than the 10 year phase in that is included in the Republican bill.

Unfortunately, the Republican leadership has not allowed us to bring this proposal to a vote. I urge my colleagues to vote no on the override of the President's veto.

Ms. MCCARTHY of Missouri. Mr. Speaker, I rise today to express my strong support for estate tax reform. Small businesses and farm owners should not be penalized for their success nor should they have to worry about their ability to pass the family business on to future generations. However, I will continue to oppose the estate tax relief as proposed in the bill under consideration today because it offers significant benefit for the very wealthy individuals subject to this tax without regard to the economy, future revenues or tax fairness. I will vote to sustain President Clinton's veto of this misguided effort.

Many middle class Americans believe they do not receive value for their taxes. An important component of any tax reform debate should focus on renewing taxpayer's confidence that they are not only being taxed fairly, but that their tax dollars are being spent wisely. It concerns me that we are considering repeal of the estate tax today without a broader discussion of reform of our tax policy. We don't make decisions in a vacuum and the decisions we make today will have an impact on future revenues and spending on priority initiatives. A vote to override the President's veto today can be viewed as a vote to give the wealthiest one percent of Americans an \$850 billion tax break over the next twenty years. This is contrary to the wishes of two Presidents, Theodore Roosevelt and William Howard Taft, who advocated for enactment of the estate tax.

In 1907, Theodore Roosevelt said the following regarding this progressive tax, "Such a tax would be one of the methods by which we should try to preserve a measurable quality of opportunity for the people of the generation growing to manhood." During his Inaugural Address in 1909, William Howard Taft said, "New kinds of taxation must be adopted, and among these I recommend a graduated inheritance tax as correct in principle and as certain and easy of collection." Historically, the richest in our society are the ones who pay the majority of the estate tax, and the original justification for this progressive tax is still applicable today, but reform is needed as our economy and times change.

Currently, only two percent of people who die have enough wealth to be subject to the estate tax. Of the two percent who pay the estate tax, only three percent are small business owners or farmers. Economic experts point out that the majority of assets taxed under the estate tax are unrealized capital gains and tax-exempt bonds which have never been taxed.

I support estate tax relief which would exempt 99% of family farm estates from estate taxes. The measure I voted for earlier this year would have removed two-thirds of those who pay the estate tax from the tax rolls and increased the family exclusion for farms and closely held businesses to \$4 million by increasing the limit on the small business exclusion from \$1.3 million to \$2 million per spouse. This would have provided real relief immediately. H.R. 8 would not provide relief to a single farm or small business from the estate

tax until 2010. This relief is needed now, not in ten years.

The measure I support would immediately increase the exemption equivalent of the unified credit against estate and gift taxes to \$1.1 million. It also would provide a twenty percent across the board reduction to the estate and gift tax rates.

I support estate tax reform which maintains fiscal responsibility. The cost of H.R. 8 is not offset and will cost the Treasury \$105 billion over ten years and \$750 billion over the second ten years. Fiscal discipline of the past eight years has brought us to time where we are enjoying economic growth and prosperity. Projected surpluses still require us to make difficult decisions about priorities, and I believe that the President was correct to veto this fiscally irresponsible tax bill.

I voted in favor of a fiscally responsible proposal, the Rangel Amendment to H.R. 8, to provide immediate relief to two-thirds of the individuals in Missouri faced with estate tax liability. On July 13, the New York Times reported that if H.R. 8 would have been law in 1997, more than half of the tax savings would have gone to approximately 400 individuals who died that year leaving individual estates worth more than \$20 million each. By contrast, the New York Times reported that the Democratic alternative which I supported would have exempted approximately 95% of all farmers who paid estate tax in 1997 and 88% of small business owners who paid the tax.

If the President's veto is sustained today, I hope my colleagues on both sides of the aisle will come together to find a targeted, fiscally responsible compromise which can be enacted into law before the 106th Congress adjourns this fall.

Mr. CAMP. Mr. Speaker, today we are working to repeal the death tax so that family businesses can be passed down to children and grandchildren, and family farms can continue to exist. Less than half of all family-owned businesses survive the death of a founder and only about five percent survive to the third generation. Under the tax laws that we currently have, it is cheaper for someone to sell a business before dying and pay the capital gains tax than to pass it on to his children.

It's clear and simple—the death tax is double taxation. Small business owners and family farmers pay taxes throughout their lifetime. At the time of death, they are assessed another tax on the value of their property. It would be like giving a friend a gift, which you already paid sales tax on, followed by your friend receiving a bill from the IRS for another cut. It is absurd.

Repealing the death tax makes good economic sense. One out of every three small-business owners expects all or part of their business will have to be liquidated when death taxes come due. That doesn't just mean that the family loses the business. It also means that the employees of that business are laid off. Repealing the death tax will not only save those jobs that would be lost—it will create new jobs. Death tax liabilities caused 26 percent of family businesses to reduce capital investments—investments that would have resulted in new jobs. Nearly 60 percent of businesses owners say they would add jobs over the coming year if death taxes were eliminated. Economists predict that repealing the tax would create 200,000 extra jobs every year.

Estate and gift tax collections amounted to less than 1.4 percent of the federal government's current annual budget. This tax is not worth the costs they impose on the economy, family businesses, and individuals. 70 percent of Americans believe this is one of the most unfair taxes. I happen to be one of those 70 percent. I encourage my colleagues to vote to override this veto and end this tax.

Mr. UDALL of Colorado. Mr. Speaker, I originally voted for this bill, but only very reluctantly. I will not vote to override the President's veto.

I am not voting to sustain the veto because I oppose estate-tax relief for family-owned ranches and farms or other small businesses.

In fact, I definitely think we should act to make it easier for their owners to pass them on to future generations. This is important for the whole country, or course, but it is particularly important for Coloradans who want to help keep ranch lands in open, undeveloped condition by reducing the pressure to sell them to pay estate taxes.

But there is a better way to do it than by enacting this Republican bill.

That is why I voted for the Democratic alternative when the House originally considered this bill.

That Democratic alternative bill would have provided real, effective relief without the excesses of the Republican bill. It would have raised the estate tax's special exclusion to \$4 million for a couple owning a farm or small business. So, under that alternative, a married couple owning a family farm or ranch or a small business worth up to \$4 million could pass it on intact with no estate tax whatsoever.

Also, the Democratic alternative actually would have provided more immediate relief to small business and farm owners.

Unlike the Republican bill—which is phased in over 10 years—the Democratic alternative would have taken effect immediately. That means a couple passing on their farm or small business in the near future would avoid more tax under the Democratic plan than under the Republican bill. They would not have to hope to live long enough to see the benefits.

In addition, by increasing the general exclusion from \$675,000 to \$1.1 million next year, the Democratic alternative would have allowed parents to pass on "millionaire" status to their children without a penny of estate tax burden. And the Democratic alternative also would have lowered estate tax rates by 20% across the board.

So, the Democratic alternative—which I voted for, which deserved adoption, and which would not have been vetoed—would have provided important relief from the estate tax and would have done so in a real, effective, and prompt way.

Furthermore, the Democratic alternative would have provided this relief in a fiscally responsible way that would not jeopardize our ability to do what is needed to maintain and strengthen Social Security and Medicare, provide a prescription drug benefit for seniors and pay down the public debt.

By contrast, it is precisely the fiscal overkill of the Republican bill that made me most reluctant to vote for it and that leads me to vote to sustain the President's veto.

As the Rocky Mountain News put it in a September 3rd editorial, "the Republican tax cut is a gamble that the present economic

boom isn't going to slow" and is "fiscally irresponsible."

Once fully phased in, the Republican bill would forgo nearly \$50 billion a year in revenue with no guarantee that this revenue loss will not harm Social Security and Medicare in future years.

The bill's sponsors say it will cost \$28.2 billion over 5 years and \$104.5 billion over 10 years. But that is far from the whole story. Because of the way the bill is phased in, its true cost is cleverly hidden and does not show up until after the 10-year budget window.

That means the full effects of the Republican bill will come just at the time when we will have to face budget pressures because my own "baby boom" generation is starting to retire. And if we feel we need to "phase in" H.R. 8 because we cannot afford the full repeal now, how are we ever going to afford it 10 years from now?

We do not need to engage in this fiscal overkill.

According to the Treasury Department, under current law only 2% of all decedents have enough wealth to be subject to the estate tax at all.

To be more specific, the Treasury Department tells me that in 1997 estate-tax returns were filed for only 297 Coloradans.

Furthermore, according to the Treasury Department, of those estates that are affected by the estate tax, only 3%—that is only 6 in 10,000 American estates—were comprised primarily of family-owned small businesses, ranches, or farms.

Looking just at our state, that means that in 1997 fewer than a dozen estate-tax returns were comprised primarily of small businesses, ranches, or farms.

Of course, those numbers only relate to the cases in which an estate tax was actually paid. Clearly, in many other cases families have taken actions to forstall the estate tax. I understand that, and do think that in appropriate cases we should lessen the pressure that prompted some of those actions.

As I said, the Democratic alternative would have provided real, effective, and immediate estate-tax relief to the owners of small businesses, including farms and ranches, and would have done so in a fiscally responsible way. That is why I voted for it.

In contrast, the biggest beneficiaries of the Republican legislation are not these middle-class families who own small ranches or farms or other small businesses, but instead are very wealthy families with very large assets.

Over the past two decades, income and wealth disparities have increased. The Republican bill would increase those wealth disparities. I find this troubling, and it is another reason why I am not voting to override the President's veto.

I greatly regret that on this issue the Republican leadership has rejected bipartisanship. They have opted for confrontation with the President instead of cooperation in crafting a bill that could be signed into law. That is not a course I can support.

Mr. Speaker, if the President's veto is sustained—and I think it will be—we will have another chance to take a better path. I hope that the Republican leadership will decide to reach across the aisle and work to develop a better bill that can be signed before this Congress adjourns. If they do, they will find me ready to help.

Mr. LANTOS. Mr. Speaker, I will vote today to uphold the President's veto of the Estate Tax Elimination Act (H.R. 8).

When this legislation was first considered in the House in June, I strongly supported and voted for the Democratic alternative which was presented by Congressman RANGEL of New York. That proposal called for a significant reduction in the rate of taxation of estates and a 50 percent increase in the small business exclusion. The Rangel proposal was a thoughtful and reasonable effort to deal with the legitimate concerns of small businesses and family farms, but it did not have the problems of the legislation which was being urged by the Republican majority.

When the Rangel substitute was defeated by the House, I nevertheless voted for the adoption of H.R. 8 in order to continue the legislative process. Initial Senate action was much closer to the Rangel substitute, and I expected a House-Senate Conference Committee to produce a bill that I could support.

Unfortunately, Mr. Speaker, the Senate simply accepted the flawed version of the bill as adopted by the House and did not make those changes that would improve the legislation. President Clinton was right to veto this bill, and I will vote to sustain that veto.

Mr. Speaker, I urge my colleagues in the Republican leadership of this House to work with the Democratic leadership and with the President to craft legislation that deals with the legitimate problems of estate taxation and that provides the relief small businesses need. We need to deal with legitimate problems with the federal estate tax, but this bill is clearly the wrong way to do that.

Mr. GILMAN. Mr. Speaker, I rise today in strong support of overriding the President's veto of H.R. 8, the death tax Elimination Act of 2000 and I urge my colleagues to lend this effort their support.

The estate tax is an outmoded policy that has long outlived its usefulness. Alternatively known as the death tax, this tax was instituted in 1916 to prevent too much wealth from congregating with the wealthy capitalist families in early 20th century America. Regrettably, the law failed in its original purpose, as the truly wealthy are always able to shelter their income with the help of tax attorneys that the middle-class cannot afford.

In recent years, the estate tax has been responsible for the death of 85% of American small business by the third generation. Furthermore, countless number of farms have had to be sold in order to pay an outrageously high estate tax, ranging as high as 55% of the farms assessed value.

By forcing the sale of such farmland to outside buyers, often commercial developers, the estate tax has been a major contributor to suburban sprawl and unchecked growth in my congressional district in southern New York.

The most indefensible point about the estate tax, however, is the cost associated with enforcing and collecting at 65 cents out of every dollar taken in.

Given this cost, as well as the fact that the assets taxed under the estate tax have often already been taxed several times, it makes no sense to continue this illogical practice. Family-owned small businesses certainly would do better without the tax, as would family farms that still operate from generation to generation.

Accordingly, I urge my colleagues to join in supporting this veto override.

Mr. BENTSEN. Mr. Speaker, I rise in opposition to the override of H.R. 8. I am disappointed that Congress has been incapable of passing a measure to provide fiscally sound estate tax relief that could be signed into law this year.

During consideration of H.R. 8, I supported the Rangel Substitute Amendment, legislation that would have immediately cut all estate tax rates by 20% immediately and would have eliminated any estate tax for more than half of the people with the smallest estates who otherwise would have to pay some estate tax. The special exclusion that applies to estates would be increased to \$1.1 million in 2001, not 2006 as under current law. Moreover, under this measure, 99% of family-owned small businesses and farms would be exempted from estate tax by increasing the special exclusion to \$4 million per couple for small businesses and family-owned farms. Thus, rather than applying to the top 2% of all estates, only the top 1% would be subject to any tax. The cost of this measure would be \$22 billion over ten years.

Current law exempts from federal tax all estates up to \$675,000 in 2000. This exemption will rise to \$1,000,000 by 2006, with any federal estate tax applying only to the current value in excess of this amount. Estates in excess of the exemption are taxed at a marginal rate of between 18 and 55 percent. Furthermore, current law provides for closely-held, non-public businesses and farms to receive an exemption of \$1.3 million before being subject to any federal estate tax. For estates owned by married couples, this exemption is \$2.6 million. And, family farms are exempt from any tax for ten years, if the heirs continue to operate the farm. Estates passed onto a spouse are not subject to tax.

Complete repeal of the estate tax is skewed to give only the wealthiest 2% of families in America the largest tax cuts and would actually give less relief to smaller estates than the Democratic alternative for at least the first five years. Ninety-eight percent of Americans would see no benefit from H.R. 8, while 330 estates, valued at more than \$20 million each, would see a tax benefit of approximately \$10,530,850. It is a myth that H.R. 8 will enhance protections for small businesses and farms. Only about 3% of the total number of family-owned businesses and farms are subject to the estate tax according to the Treasury Department. It has been estimated that fewer than one in 20 farms will have to pay the estate tax upon the death of the owner. This is due, in large part to the passage in 1997 of the Taxpayer Relief Act (P.L. 105-34) which raised the effective deduction for qualified family-owned business interests to \$1.3 million per individual, which exempts almost all family farms and small businesses. Moreover, the few businesses and farms that are subject to the estate tax can make payments in installments over fourteen years at below-market interest rates.

But, repeal of the estate tax will result in a revenue loss of \$105 billion in the first ten years, rising to an annual loss of \$50 billion by 2011 and the cost in the second ten years would be at least \$750 billion. Thus, over twenty years, the total cost of H.R. 8, including extra interest, will be more than \$1.0 trillion. Where does the Majority propose to make up the difference? How do they propose to pay for other priorities like Medicare, Social Security and improvements to education?

Mr. Speaker, here we are, in the waning days of this Congress, no closer to providing a prescription drug benefit in Medicare or a Patients' Bill of Rights and having done nothing to further strengthen Social Security or Medicare or eliminate the federal debt by 2012. As a member of the Budget Committee, I continue to advocate that Congress preserve the budget surplus and use it to pay off the national debt while strengthening Social Security. The \$3.7 trillion dollar public debt is a tremendous burden on the economy. H.R. 8 jeopardizes our ability to protect Social Security and Medicare and pay down the national debt by creating a revenue loss, when executed, in excess of half a trillion dollars over ten years.

Mr. Speaker, I agree that there are many areas in our tax code warranting reform, including the estate tax, but to start here, with a repeal of tax that only affects the top 2% of all Americans is clearly not a correct priority. I have supported a plan to provide real relief, faster and more fiscally prudent. But, unfortunately, the Majority is more interested in sound bites than sound policy.

Mr. GARY MILLER of California. Mr. Speaker, I rise to urge my colleagues to override President's Clinton's nonsensical veto of H.R. 8, the "Death Tax Elimination Act."

Repealing the death tax would offer significant tax relief to working families and farmers throughout our nation. In my State of California, 80% of our economy's jobs are created as a direct result of small businesses. For these working Americans, H.R. 8 will ensure future prosperity for their families and the individuals their business employs.

In addition to being a financial burden, the death tax is morally wrong. Throughout our lives, we are taxed every time we turn on the light, flush the toilet, earn an income, and even when we die. Taxing one's estate—property which has been subject to property taxes, capital gains taxes, and purchased with net income—is nothing more than double taxation. How can we, the legislators of the freest country in the world, justify this?

Most importantly, our budget can afford this tax relief. Don't be fooled by the rhetoric coming from the other end of Pennsylvania Avenue. Even when combined with the marriage penalty tax relief, these two tax cuts represent only 2% of our surplus.

Losing a loved one is tough enough. Let's make the grieving process a little bit easier by taking the IRS out of the funeral.

Mrs. MINK of Hawaii. Mr. Speaker, I will vote to override the President's veto of H.R. 8, the Estate Tax bill not because I favor repeal of the estate tax, but to send a message to the Democratic and Republican leadership that both sides must work to strike a compromise and pass a bill to reform the estate tax.

Clearly the estate tax has a deleterious effect on successful persons who hope to pass along homes to their children. In my State of Hawaii, property values are highly inflated and properties which would not result in any estate tax on the mainland are subject to estate tax in Hawaii. In 1997, the last year for which statistics are available, 2.5 percent of estates in Hawaii were subject to Federal estate taxes, compared to only 1.9 percent nationwide.

When H.R. 8 was originally considered, I first voted for the Democratic substitute which would have raised the exemption to \$4 million,

lowered the tax rate and taken effect immediately. The Republican bill would not take full effect for ten years and it did nothing to lower rates. That is too long for many people.

We need to raise the exemption for estates to \$4 million or more, lower the tax rate and make the changes effective immediately. There is plenty of room for compromise between the two positions. Both sides must compromise, the Democrats as well as the Republicans.

Mr. KIND. Mr. Speaker, I rise today to oppose, HR 8, the Estate Tax Repeal.

The Leadership has scheduled a vote to attempt to override the president's veto of H.R. 8 in hope that they can take the backdoor route to enact the first installment of their \$2 trillion dollars of tax cuts that favor the wealthy over the working families. If this complete repeal of the estate taxes is adopted, it would provide \$200 billion of tax relief to the wealthiest 400 individuals in this country. Not only is this not fair it will make it harder to meet our existing obligations such as paying off the 5–7 trillion dollar national debt, saving Social Security, investing in education and modernizing Medicare to provide a prescription drug benefit.

If the leadership were serious about providing estate tax relief to small businesses and family farms, they would have worked for a truly bipartisan estate tax that all members of Congress would have supported and the president would have signed into law. There will be no estate tax relief, however, if the leadership is not willing to compromise.

With only 19 days remaining in this legislative session, why are we wasting our time debating a bill that benefits the few and prevents us from taking meaningful action on prescription drugs, a Patient's bill of Rights, school construction, and a modest increase in the minimum wage?

I believe we should provide relief to family farms and small businesses and that is why I supported the Rangel alternative that was offered during debate in July. This alternative would have provided fiscally responsible estate tax relief to all small business and family farms starting Jan. 1, 2001. Specifically, it would have immediately raised the special exclusion from the estate tax from \$675,000 to \$4 million for a couple owning a farm or small business and would have lowered the estate tax rates by 20% across the board.

Unfortunately, congressional leaders opposed this alternative and now continue to waste our time and the taxpayers money debating an estate tax bill that is doomed to fail, only to be used for political purposes during an election year.

Mr. Speaker, I hope we can still reach a compromise on tax relief. But we need sensible tax cuts that stay within a budget and go to working families. As Secretary Summers stated, "in this new era of surpluses, Congress faces profound economic choices that will affect all Americans. There is a strong case for targeted relief, but to put repeal ahead of increasing the minimum wage, putting in place a Patients' bill of Rights, giving tax relief for middle-income families, and strengthening Medicare and Social Security would be to sacrifice the economic interests of most Americans."

Mr. Speaker, I urge my colleagues to vote against H.R. 8. Any tax cut must be done in a fiscally responsible manner, and not derail

the opportunity we have to reduce our large national debt, and prepare for our future obligations to our aging population.

Mr. WELDON of Florida. Mr. Speaker, I rise to express disappointment over Mr. Clinton's veto of the bipartisan bill to eliminate the death tax and vowed to work to override the veto once the bill is returned to the House for consideration. Death tax repeal legislation was passed in the House with a strong bipartisan vote (279–136) in June.

This bill would help working Americans who have built up family owned small businesses or family farms. I am pleased with the broad support this repeal legislation received across the political spectrum and I hope this will help us override this ill-advised veto.

The death tax unfairly forces many working families to sell the family businesses or a family farm just to pay the exorbitant taxes. This is a confiscatory tax that takes half of what someone has spent a lifetime building. When this bill becomes law, it will disinvite the Internal Revenue Service to the funeral.

Mr. Clinton and Mr. GORE have injected class warfare into this debate. But they must come to realize that this tax is burdensome to all small business owners, including many first generation minority-owned and women-owned businesses. Small business owners have spent years building up family businesses in the hopes of passing them down to their children. The death tax kills these dreams. It forces these families to completely start over.

Repealing this tax will also help preserve open spaces. As cities encroach on agricultural lands, the estate tax forces most of these families to sell the farm to developers in order to pay the death taxes. Passing the death tax repeal will help us preserve these open spaces.

According to the National Federation of Independent Businesses (NFIB), more than 70 percent of small businesses do not survive the second generation and 87 percent do not make it to the third generation. Sixty percent of small-business owners report that they would create new jobs over the coming year if estate taxes were eliminated.

Repealing this unfair tax would help preserve small businesses, farms, and open spaces. It would keep family businesses together. It would keep family farms in families. It would create new jobs. Let's pass this repeal.

Mr. SMITH of Texas. Mr. Speaker, the death tax really amounts to a double or triple tax. People have already paid a tax on the income they have earned and then they have paid a tax on any gains they have made from investments or interest they have earned from savings and then the death tax hits them again.

It's the wrong tax at the wrong time on the wrong people.

Opponents say repeal of the death tax is not necessary because it affects relatively few estates and there is an exemption for the first \$675,000 of an estate. What they will not tell you is that any business with five or ten employees is usually worth more than that amount. And any farm or ranch that is relied upon by an individual as their sole source of income is going to be worth more than that amount, too.

Hard working Americans deserve to be able to leave on the results of their lifetime labor to their children or others. Small businesses and

farms and ranches should not have to be sold simply because the owner passes away.

Mr. BLUMENAUER. Mr. Speaker, today's debate is really one of priorities and fiscal discipline, not the estate tax. There is no question that the inheritance tax is badly in need or reform. Since I came to Congress, I have supported increasing the exemption, adjustments for inflation, modification of rates, and protections for closely-held and family businesses. That approach would gain the support of the vast majority of my colleagues, and would also offer more immediate and more reliable relief than a phased-in repeal that could be halted at the first sign of economic trouble.

By contrast, the bill the President vetoed contained much less than met the eye—and much less than those who own businesses, woodlots and farms deserve. Far from offering predictability, certainly and immediate relief, this proposal promised only a roll of the dice, continuing current inequities over a ten-year period and inviting future freezes and reversals.

More fundamentally, since I have been in Congress, I have been dismayed by our eagerness to act on the problems of those who need help the least, while ignoring those who need help the most. We have put the needs of children, senior citizens and working families of modest means on hold. For example, congress has proposed repealing the "death tax" that affects a few hundred of America's wealthiest people, but has done nothing to address the "life tax" that affects the poorest of the 1.6 million people—22 percent of America's elderly—in nursing homes. They cannot receive assistance with their nursing home costs, which run \$46,000 on average, unless they "spend down" their non-housing assets to less than \$2,000. This policy imposes financial hardship on the most vulnerable before they die—300,000 people in 1998 alone—and in some cases exacts an extraordinary cruel emotional toll, as when long-married couples are counseled to seek divorce.

Congress has done nothing to help the 1/3 of our poorest senior citizens who have not prescription drug coverage and pay the highest drug prices in the world. Nor has Congress addressed the health insurance needs of 11 million uninsured children. A study by the Oregon Center for Public Policy found that, despite an extraordinarily strong economy, working Oregonians were basically no better off than they had been ten or 20 years ago. One in seven working families with children is poor, and one in nine faces hunger at some point during the year.

This is part of a huge tax reduction that makes it harder to meet our long-term priorities while ignoring the needs of most American families. I do not believe that anyone should ever have to sell a family business because a principal has died. Nor do I believe that elderly Americans should have to divorce their spouses in order to afford a nursing home, or that parents should have to choose between providing food or health care for their children. If Congress acts responsibly, we can solve these problems. The President is correct in resisting a series of tax cuts that favor those who need help the least until there is equal attention to the plight of those who need our help the most.

Mr. KNOLLENBERG. Mr. Speaker, the Estate tax is one of the most egregious examples of bad tax policy in Washington. It's un-

fair, unseemly and economically unsound. Under the guise of making the rich pay their fair share, the death tax has a negative impact on the economy and hurts ordinary Americans. Ironically, those most affected by the death tax are not the wealthy, who have resources to shelter their assets as well as incentive to simply spend their wealth while they are alive but family owned businesses.

The death tax is one of the major reasons businesses don't survive because owners are forced to sell their businesses in order to pay the tax. Less than half of all family owned businesses survive the death of a founder and only 5% survive to the third generation.

The death tax forces businesses to divert money from productive uses such as capital investment and job creation to estate planning. Sixty percent of small businesses owners report they would create new jobs over their coming year if estate taxes were eliminated.

With the nation's savings rate at a record low, we should be encouraging savings, not punishing it. Americans should not be taxed for working hard to pass their wealth on to their children so that they may have a better life. This legislation will help the American people and the American economy. I urge the President to reconsider and sign this bill into law.

Mr. BEREUTER. Mr. Speaker, this Member rises today to oppose the veto override of H.R. 8, the Estate Tax Elimination Act of 2000. This Member does not support the complete repeal of the Federal inheritance tax for the wealthiest Americans—billionaires and mega-millionaires.

On June 9, 2000, this Member voted for H.R. 8 based on his desire to move the inheritance tax reform process forward by dramatically increasing the Federal inheritance tax exemption level. In this Member's statement in the CONGRESSIONAL RECORD on June 9, 2000, he indicated that if a conference report did not change from the House-passed bill, this Member would vote no. But, of course, the Senate passed the House bill, and there was no conference report. Accordingly, this Member has given his word in writing that he would not vote for such a bill to become law. This Member cannot break his promise to his constituents.

If the Presidential veto is sustained, it is this Member's hope that meaningful legislation could be passed this year which would increase dramatically the exemption level to the Federal inheritance tax and would also provide a reduction in Federal inheritance tax rates for all those who pay this tax whether they are subject to the highest inheritance tax rate (55%) or the lowest inheritance tax rate (18%).

This Member is a long-term advocate of inheritance tax reduction, especially in regard to protecting small businesses and family farms and ranches. This Member believes that inheritance taxes unfortunately do adversely and inappropriately affect Nebraskan small business and family farms and ranches when they attempt to pass this estate from one generation to the next.

Accordingly, to demonstrate this Member's very real support for inheritance tax reform, this Member supported the Taxpayer Relief Act of 1997 which passed on July 31, 1997. This Act phased-in an increase in the unified credit exemption from the current level of \$675,000 to \$1.0 million in 2006. Also, it provided an immediate exclusion of \$1.3 million

(not in addition to the broader exclusion) for a limited variety of eligible closely-held family farms and businesses.

At the current time, this Member does not support the complete elimination of inheritance taxes. It would be a great political error and controversy to eliminate the inheritance tax on people like Steve Forbes or other billionaires or mega-millionaires. Also, it would discourage some of the largest of the charitable contributions and the establishment of charitable foundations. The benefits of these foundations to American society are invaluable. Our universities and colleges, too, would see a very marked reduction in the gifts they receive if the inheritance tax on the wealthiest Americans was totally eliminated. Despite the legal talents the super-rich can afford, such an inheritance tax change would have major consequence. The total elimination of the inheritance tax is a bad idea.

This Member's past vote for this legislation was a demonstration of his desire to move the inheritance tax reform process forward by increasing dramatically the exemption level to the Federal inheritance tax. There is overwhelming support among his constituents for this kind of reform.

It is important to remind constituents that Congress did pass into law the Taxpayer Relief Act of 1997, with this Member's support. This Act phased-in an increase in the unified credit exemption from the current 2000 level of \$675,000 to \$1.0 million in 2006. Also, it provided an immediate exclusion of \$1.3 million (not in addition to the broader exclusion) for a limited variety of eligible closely-held family farms and businesses.

Specifically, this Member does not support repealing the inheritance tax, with the final step completed in this legislation to zero percent inheritance tax from the year 2009 to the year 2010 as proposed. Instead, this Member prefers the Ewing approach which he enthusiastically supports. This Member is an original cosponsor of H.R. 4112 which was introduced by the distinguished gentleman from Illinois (Mr. Ewing) on March 29, 2000. This measure (H.R. 4112) would immediately increase the Federal inheritance tax exemption from a rate of \$675,000 to \$5 million and would then increase this exemption annually over the next three years until it reaches a total of \$10 million in 2003. After reaching the \$10 million level in 2003, the exemption would be indexed annually thereafter to account for inflation. Essential inheritance tax relief is provided by H.R. 4112 for even wealthy business and farm families. This Member is even willing to raise the exemption level beyond \$10 million to, for example, \$15 million.

By the way, most Nebraskans pay more state inheritance taxes than Federal inheritance or estate taxes so Nebraskans should also consider pushing for reductions or reforms in their state taxes.

Again, Mr. Speaker, for the aforementioned reasons, this Member rises today to oppose the veto override of H.R. 8, the Estate Tax Elimination Act of 2000.

Mr. PAUL. Mr. Speaker, I am pleased to rise in support of the Social Security Tax Relief Act (H.R. 4865). By repealing the 1993 tax increase on Social Security benefits, Congress will take a good first step toward eliminating one of the most unfair taxes imposed on seniors: the tax on Social Security benefits.

Eliminating the 1993 tax on Social Security benefits has long been one of my goals in

Congress. In fact, I introduced legislation to repeal this tax increase in 1997, and I am pleased to see Congress acting on this issue. I would remind my colleagues that the justification for increasing this tax in 1993 was to reduce the budget deficit. Now, President Clinton, who first proposed the tax increase, and most members of Congress say the deficit is gone. So, by the President's own reasoning, there is no need to keep this tax hike in place.

Because Social Security benefits are financed with tax dollars, taxing these benefits is yet another incidence of "double taxation." Furthermore, "taxing" benefits paid by the government is merely an accounting trick, a "shell game" which allows members of Congress to reduce benefits by subterfuge. This allows Congress to continue using the Social Security trust fund as a means of financing other government programs and mask the true size of the federal deficit.

Mr. Speaker, the Social Security Tax Relief Act, combined with our action earlier this year to repeal the earnings limitation, goes a long way toward reducing the burden imposed by the Federal Government on senior citizens. However, I hope my colleagues will not stop at repealing the 1993 tax increase, but will work to repeal all taxes on Social Security benefits. I am cosponsoring legislation to achieve this goal, H.R. 761.

Congress should also act on my Social Security Preservation Act (H.R. 219), which ensures that all money in the Social Security Trust Fund is spent solely on Social Security. When the government takes money for the Social Security Trust Fund, it promises the American people that the money will be there for them when they retire. Congress has a moral obligation to keep that promise.

In conclusion, Mr. Speaker, I urge my colleagues to help free senior citizens from oppressive taxation by supporting the Social Security Benefits Tax Relief Act (H.R. 4865). I also urge my colleagues to join me in working to repeal all taxes on Social Security benefits and ensuring that moneys from the Social Security trust fund are used solely for Social Security and not wasted on frivolous government programs.

The SPEAKER pro tempore (Mr. LAHOOD). Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 274, nays 157, not voting 4, as follows:

[Roll No. 458]

YEAS—274

Abercrombie	Bateman	Boucher
Aderholt	Berkley	Brady (TX)
Andrews	Berry	Bryant
Archer	Biggart	Burr
Armey	Bilbray	Burton
Bachus	Bilirakis	Buyer
Baird	Bishop	Callahan
Baker	Blagojevich	Calvert
Ballenger	Bliley	Camp
Barcia	Blunt	Campbell
Barr	Boehlert	Canady
Barrett (NE)	Boehner	Cannon
Bartlett	Bonilla	Capps
Barton	Bono	Castle
Bass	Boswell	Chabot

Chambliss	Houghton
Chenoweth-Hage	Hulshof
Clayton	Hunter
Clement	Hutchinson
Coble	Hyde
Coburn	Inslee
Collins	Isakson
Combest	Istook
Condit	Jenkins
Cook	John
Cooksey	Johnson (CT)
Costello	Johnson, Sam
Cox	Jones (NC)
Cramer	Kasich
Crane	Kelly
Cubin	King (NY)
Cunningham	Kingston
Danner	Klink
Davis (VA)	Knollenberg
Deal	Kolbe
Delahunt	Kuykendall
DeLay	LaHood
DeMint	Lampson
Diaz-Balart	Largent
Dickey	Latham
Dooley	LaTourette
Doolittle	Lazio
Dreier	Leach
Duncan	Lewis (CA)
Dunn	Lewis (KY)
Ehlers	Linder
Ehrlich	Lipinski
Emerson	LoBiondo
English	Lucas (KY)
Etheridge	Lucas (OK)
Everett	Maloney (CT)
Ewing	Manzullo
Fletcher	Martinez
Foley	McCarthy (NY)
Forbes	McCollum
Ford	McCrery
Fossella	McHugh
Fowler	McInnis
Franks (NJ)	McIntosh
Frelinghuysen	McIntyre
Galleghy	McKeon
Ganske	Metcalfe
Gekas	Mica
Gibbons	Miller (FL)
Gilchrist	Miller, Gary
Gillmor	Mink
Gilman	Mollohan
Goode	Moran (KS)
Goodlatte	Morella
Goodling	Myrick
Gordon	Nethercutt
Goss	Ney
Graham	Northup
Granger	Norwood
Green (WI)	Nussle
Gutknecht	Ose
Hall (TX)	Oxley
Hansen	Packard
Hastert	Paul
Hastings (WA)	Pease
Hayes	Peterson (MN)
Hayworth	Peterson (PA)
Hefley	Petri
Herger	Phelps
Hill (MT)	Pickering
Hilleary	Pitts
Hobson	Pombo
Hoekstra	Porter
Holt	Portman
Hooley	Pryce (OH)
Horn	Quinn
Hostettler	

NAYS—157

Ackerman
Allen
Baca
Baldacci
Baldwin
Barrett (WI)
Becerra
Bentsen
Bereuter
Berman
Blumenauer
Bonior
Borski
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capuano
Cardin
Carson

Clay
Clyburn
Conyers
Coyne
Crowley
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Edwards
Engel
Eshoo

Radanovich
Rahall
Ramstad
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sandlin
Sanford
Saxton
Scarborough
Schaffner
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Young (FL)

Jackson (IL)
Jackson-Lee
(TX)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Klecza
Kucinich
LaFalce
Lantos
Larson
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)

Meeks (NY)
Menendez
Millender
McDonald
Miller, George
Minge
Moakley
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo

Sanders
Sawyer
Schakowsky
Scott
Serrano
Sherman
Slaughter
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Taylor (MS)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Woolsey
Wu
Wynn

NOT VOTING—4

Greenwood	Vento
Jefferson	Young (AK)

□ 1602

Ms. KAPTUR and Mr. HILLIARD changed their vote from "yea" to "nay."

Mr. FORD changed his vote from "nay" to "yea."

So, two-thirds not having voted in favor thereof, the veto of the President was sustained and the bill was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LAHOOD). The message and the bill is referred to the Committee on Ways and Means.

The Clerk will notify the Senate of the action of the House.

MAKING IN ORDER A MOTION TO SUSPEND THE RULES ON TODAY

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent to authorize the Speaker to entertain a motion to suspend the rules and pass H.R. 4844 today.

The SPEAKER pro tempore (Mr. WALDEN of Oregon). Is there any objection to the request of the gentleman from Pennsylvania?

There was no objection.

RAILROAD RETIREMENT AND SURVIVORS' IMPROVEMENT ACT OF 2000

Mr. SHUSTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4844) to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries, as amended.

The Clerk read as follows:

H.R. 4844

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**  
(a) SHORT TITLE.—This Act may be cited as the "Railroad Retirement and Survivors' Improvement Act of 2000".

## (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

## TITLE I—AMENDMENTS TO RAILROAD RETIREMENT ACT OF 1974

Sec. 101. Expansion of widow's and widower's benefits.

Sec. 102. Retirement age restoration.

Sec. 103. Vesting requirement.

Sec. 104. Repeal of railroad retirement maximum.

Sec. 105. Investment of railroad retirement assets.

Sec. 106. Elimination of supplemental annuity account.

Sec. 107. Transfer authority revisions.

Sec. 108. Annual ratio projections and certifications by the Railroad Retirement Board.

## TITLE II—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

Sec. 201. Amendments to the Internal Revenue Code of 1986.

Sec. 202. Exemption from tax for Railroad Retirement Investment Trust.

Sec. 203. Repeal of supplemental annuity tax.

Sec. 204. Employer, employee representative, and employee tier 2 tax rate adjustments.

## TITLE I—AMENDMENTS TO RAILROAD RETIREMENT ACT OF 1974

## SEC. 101. EXPANSION OF WIDOW'S AND WIDOWER'S BENEFITS.

(a) IN GENERAL.—Section 4(g) of the Railroad Retirement Act of 1974 is amended by adding at the end the following new subdivision:

“(10)(i) If for any month the unreduced annuity provided under this section for a widow or widower is less than the widow's or widower's initial minimum amount computed pursuant to paragraph (ii) of this subdivision, the unreduced annuity shall be increased to that initial minimum amount. For the purposes of this subdivision, the unreduced annuity is the annuity without regard to any deduction on account of work, without regard to any reduction for entitlement to an annuity under section 2(a)(1) of this Act, without regard to any reduction for entitlement to a benefit under title II of the Social Security Act, and without regard to any reduction for entitlement to a public service pension pursuant to sections 202(e)(7), 202(f)(2), or section 202(g)(4) of the Social Security Act.

“(ii) For the purposes of this subdivision, the widow or widower's initial minimum amount is the amount of the unreduced annuity computed at the time an annuity is awarded to that widow or widower, except that—

“(A) in subsection (g)(1)(i) ‘100 per centum’ shall be substituted for ‘50 per centum’; and

“(B) in subsection (g)(2)(ii) ‘130 per centum’ shall be substituted for ‘80 per centum’ both places it appears.

“(iii) If a widow or widower who was previously entitled to a widow's or widower's annuity under section 2(d)(1)(ii) of this Act becomes entitled to a widow's or widower's annuity under section 2(d)(1)(i) of this Act, a new initial minimum amount shall be computed at the time of award of the widow's or widower's annuity under section 2(d)(1)(i) of this Act.”.

## (b) EFFECTIVE DATE.—

(1) GENERALLY.—The amendment made by this section shall take effect January 1, 2001 and shall apply to annuity amounts accruing for months after December 2000 in the case of annuities awarded on or after that date and in the case of annuities awarded before that date if the annuity amount under section 4(g) of the Railroad Retirement Act was computed under section 4(g), as amended by Public Law 97-35.

(2) SPECIAL RULE FOR ANNUITIES AWARDED BEFORE JANUARY 1, 2001.—In applying the amendments made by this section to annuities awarded before January 1, 2001, the calculation of the initial minimum amount under new section 4(g)(10)(ii) of the Act shall be made as of the date of award of the widow's or widower's annuity.

## SEC. 102. RETIREMENT AGE RESTORATION.

(a) EMPLOYEE ANNUITIES.—Section 3(a)(2) of the Railroad Retirement Act of 1974 is amended by inserting after “(2)” the following: “For purposes of this subsection, individuals entitled to an annuity under section 2(a)(1)(ii) of this Act shall, except for the purposes of recomputations in accordance with section 215(f) of the Social Security Act, be deemed to have attained retirement age (as defined by section 216(l) of the Social Security Act).”.

(b) SPOUSE AND SURVIVOR ANNUITIES.—Section 4(a)(2) of the Railroad Retirement Act of 1974 is amended by striking “if an” and all that follows through “section 2(c)(1) of this Act” and inserting “a spouse entitled to an annuity under section 2(c)(1)(ii)(B) of this Act”.

(c) CONFORMING REPEALS.—Sections 3(a)(3), 4(a)(3), and 4(a)(4) of the Railroad Retirement Act are repealed.

## (d) EFFECTIVE DATES.—

(1) GENERALLY.—Except as provided in paragraph (2), the amendments made by this section shall apply to annuities that begin to accrue on or after January 1, 2001.

(2) EXCEPTION.—The amount of the annuity provided for a spouse under section 4(a) shall be computed under section 4(a)(3), as in effect before the date of the enactment of this section, if the annuity amount provided under section 3(a) for the individual on whose employment record the spouse annuity is based was computed under section 3(a)(3), as in effect before the date of the enactment of this section.

## SEC. 103. VESTING REQUIREMENT.

(a) CERTAIN ANNUITIES FOR INDIVIDUALS.—Section 2(a) of the Railroad Retirement Act of 1974 is amended—

(1) by inserting in subdivision (1) “or, for purposes of paragraphs (i), (iii), and (v), five years of service, all of which accrues after December 31, 1995,” after “ten years of service”, and

(2) by adding at the end the following:

“(4) An individual who is entitled to an annuity under paragraph (v) of subdivision (1), but who does not have at least ten years of service, shall, prior to the month in which the individual attains age 62, be entitled only to an annuity amount computed under section 3(a) of this Act (without regard to section 3(a)(2) of this Act) or section 3(f)(3) of this Act. Upon attainment of age 62, such an individual may also be entitled to an annuity amount computed under section 3(b), but such annuity amount shall be reduced for early retirement in the same manner as if the individual were entitled to an annuity under section 2(a)(1)(iii).”.

(b) COMPUTATION RULE FOR INDIVIDUALS' ANNUITIES.—Section 3(a) of the Railroad Retirement Act of 1974, as amended by section 102 of this Act, is further amended by adding at the end the following new subdivision:

“(3) If an individual entitled to an annuity under section 2(a)(1)(i) or (iii) of this Act on the basis of less than ten years of service is entitled to a benefit under section 202(a), section 202(b), or section 202(c) of the Social Security Act which began to accrue before the annuity under section 2(a)(1)(i) or (iii) of this Act, the annuity amount provided such individual under this subsection, shall be computed as though the annuity under this Act began to accrue on the later of (A) the date on which the benefit under section

202(a), section 202(b), or section 202(c) of the Social Security Act began or (B) the date on which the individual first met the conditions for entitlement to an age reduced annuity under this Act other than the conditions set forth in sections 2(e)(1) and 2(e)(2) of this Act and the requirement that an application be filed.”.

(c) SURVIVORS' ANNUITIES.—Section 2(d)(1) of the Railroad Retirement Act of 1974 is amended by inserting “or five years of service, all of which accrues after December 31, 1995,” after “ten years of service”.

(d) LIMITATION ON ANNUITY AMOUNTS.—Section 2 of the Railroad Retirement Act of 1974 is amended by adding at the end the following:

“(i) An individual entitled to an annuity under this section who has completed five years of service, all of which accrues after 1995, but who has not completed ten years of service, and the spouse, divorced spouse, and survivors of such individual, shall not be entitled to an annuity amount provided under section 3(a), section 4(a), or section 4(f) of this Act unless the individual, or the individual's spouse, divorced spouse, or survivors, would be entitled to a benefit under the Social Security Act on the basis of the individual's employment record under both the Railroad Retirement Act and the Social Security Act.”.

(e) COMPUTATION RULE FOR SPOUSES' ANNUITIES.—Section 4(a) of the Railroad Retirement Act of 1974, as amended by section 102 of this Act, is further amended by adding at the end the following new subdivision:

“(3) If a spouse entitled to an annuity under section 2(c)(1)(ii)(A), section 2(c)(1)(ii)(C), or section 2(c)(2) of this Act or a divorced spouse entitled to an annuity under section 2(c)(4) of this Act on the basis of the employment record of an employee who will have completed less than 10 years of service is entitled to a benefit under section 202(a), section 202(b), or section 202(c) of the Social Security Act which began to accrue before the annuity under section 2(c)(1)(ii)(A), section 2(c)(1)(ii)(C), section 2(c)(2), or section 2(c)(4) of this Act, the annuity amount provided under this subsection shall be computed as though the annuity under this Act began to accrue on the later of (A) the date on which the benefit under section 202(a), section 202(b), or section 202(c) of the Social Security Act began or (B) the first date on which the annuitant met the conditions for entitlement to an age reduced annuity under this Act other than the conditions set forth in sections 2(e)(1) and 2(e)(2) of this Act and the requirement that an application be filed.”.

(f) APPLICATION DEEMING PROVISION.—Section 5(b) of the Railroad Retirement Act of 1974 is amended by striking the second sentence and inserting the following: “An application filed with the Board for an employee annuity, spouse annuity, or divorced spouse annuity on the basis of the employment record of an employee who will have completed less than ten years of service shall be deemed to be an application for any benefit to which such applicant may be entitled under this Act or section 202(a), section 202(b), or section 202(c) of the Social Security Act. An application filed with the Board for an annuity on the basis of the employment record of an employee who will have completed ten years of service shall, unless the applicant specified otherwise, be deemed to be an application for any benefit to which such applicant may be entitled under this Act or title II of the Social Security Act.”.

(g) CREDITING SERVICE UNDER THE SOCIAL SECURITY ACT.—Section 18(2) of the Railroad Retirement Act of 1974 is amended—

(1) by inserting “or less than five years of service, all of which accrues after December

31, 1995," after "ten years of service" every place it occurs; and

(2) by inserting "or five or more years of service, all of which accrues after December 31, 1995," after "ten or more years of service".

(h) AUTOMATIC BENEFIT ELIGIBILITY ADJUSTMENTS.—Section 19 of Railroad Retirement Act of 1974 is amended—

(1) by inserting "or five or more years of service, all of which accrues after December 31, 1995," after "ten years of service" in subsection (c); and

(2) by inserting "or five or more years of service, all of which accrues after December 31, 1995," after "ten years of service" in subsection (d)(2).

(i) CONFORMING AMENDMENTS.—

(1) Section 6(e)(1) of the Railroad Retirement Act of 1974 is amended by inserting "or five or more years of service, all of which accrues after December 31, 1995," after "ten years of service".

(2) Section 7(b)(2) of the Railroad Retirement Act of 1974 is amended by inserting "or five or more years of service, all of which accrues after December 31, 1995," after "ten years of service".

(3) Section 205(i) of the Social Security Act is amended by inserting "or five or more years of service, all of which accrues after December 31, 1995," after "ten years of service".

(j) EFFECTIVE DATE.—The amendments made by this section shall take effect January 1, 2001.

#### SEC. 104. REPEAL OF RAILROAD RETIREMENT MAXIMUM.

(a) EMPLOYEE ANNUITIES.—Section 3(f) of the Railroad Retirement Act of 1974 is amended by striking paragraph (1).

(b) SPOUSE AND SURVIVOR ANNUITIES.—Section 4 of the Railroad Retirement Act of 1974 is amended by striking subsection (c).

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective January 1, 2001, and shall apply to annuity amounts accruing for months after December 2000.

#### SEC. 105. INVESTMENT OF RAILROAD RETIREMENT ASSETS.

(a) ESTABLISHMENT OF RAILROAD RETIREMENT INVESTMENT TRUST.—Section 15 of the Railroad Retirement Act of 1974 is amended by inserting after subsection (i) the following:

"(j) RAILROAD RETIREMENT INVESTMENT TRUST.—

"(I) ESTABLISHMENT.—The Railroad Retirement Investment Trust (hereinafter in this subsection referred to as the "Trust") is hereby established. The Trust shall manage and invest the assets of the Railroad Retirement Trust Fund (hereinafter in this section referred to as the "Fund"), which is hereby established as a trust organized in the District of Columbia and shall, to the extent not inconsistent with this Act, be subject to the laws of the District of Columbia applicable to such trusts.

"(2) NOT A FEDERAL AGENCY OR INSTRUMENTALITY.—The Trust is not a department, agency, or instrumentality of the Government of the United States and shall not be subject to title 31, United States Code.

"(3) BOARD OF TRUSTEES.—

"(A) GENERALLY.—The Trust shall have a Board of Trustees, consisting of 7 members, each appointed by a unanimous vote of the Railroad Retirement Board. The Railroad Retirement Board may remove any member so appointed by unanimous vote. Of the 7 members, 3 shall represent the interests of labor, 3 shall represent the interests of management, and 1 shall represent the interests of the general public. The members of the Board of Trustees shall not be considered of-

ficers or employees of the Government of the United States.

"(B) QUALIFICATIONS.—Members of the Board of Trustees shall be appointed only from among persons who have experience and expertise in the management of financial investments and pension plans. No member of the Railroad Retirement Board shall be eligible to be a member of the Board of Trustees.

"(C) TERMS.—Except as provided in this subparagraph, each member shall be appointed for a 3-year term. The initial members appointed under this paragraph shall be divided into 3 equal groups so nearly as may be, of which one group will be appointed for a 1-year term, one for a 2-year term, and one for a 3-year term. A vacancy in the Board of Trustees shall not affect the powers of the Board of Trustees and shall be filled in the same manner as the selection of the member whose departure caused the vacancy. Upon the expiration of a term of a member of the Board of Trustees, that member shall continue to serve until a successor is appointed.

"(4) POWERS OF THE BOARD OF TRUSTEES.—The Board of Trustees shall—

"(A) retain independent advisers to assist it in the formulation and adoption of its investment guidelines;

"(B) retain independent investment managers to invest the assets of the Fund in a manner consistent with such investment guidelines;

"(C) invest assets in the Fund, pursuant to the policies adopted in subparagraph (A);

"(D) pay administrative expenses of the Fund and the Trust from the money in the Fund; and

"(E) transfer money to the disbursing agent to pay benefits payable under this Act from money in the Fund and administrative expenses related to those benefits.

"(5) REPORTING REQUIREMENTS AND FIDUCIARY STANDARDS.—The following reporting requirements and fiduciary standards shall apply with respect to the Railroad Retirement Trust and the Railroad Retirement Trust Fund (and the assets held in such Trust Fund):

"(A) DUTIES OF THE BOARD OF TRUSTEES.—The Railroad Retirement Trust and each member of the Board of Trustees shall discharge their duties with respect to the assets of the Fund solely in the interest of the Railroad Retirement Board and through it, the participants and beneficiaries of the programs funded under this Act—

"(i) for the exclusive purpose of—

"(I) providing benefits to participants and their beneficiaries; and

"(II) defraying reasonable expenses of administering the functions of the Trust;

"(ii) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

"(iii) by diversifying investments so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and

"(iv) in accordance with Trust governing documents and instruments insofar as such documents and instruments are consistent with this Act.

"(B) PROHIBITIONS WITH RESPECT TO MEMBERS OF THE BOARD OF TRUSTEES.—No member of the Board of Trustees shall—

"(i) deal with the assets of the Fund in the trustee's own interest or for the trustee's own account;

"(ii) in an individual or in any other capacity act in any transaction involving the assets of the Fund on behalf of a party (or represent a party) whose interests are adverse to the interests of the Trust, the Fund, the

Railroad Retirement Board, or the interests of participants or beneficiaries; or

"(iii) receive any consideration for the trustee's own personal account from any party dealing with the assets of the Fund.

"(C) EXCULPATORY PROVISIONS AND INSURANCE.—Any provision in an agreement or instrument that purports to relieve a trustee from responsibility or liability for any responsibility, obligation or duty under this Act shall be void: *Provided, however,* That nothing shall preclude—

"(i) the Trust from purchasing insurance for its trustees or for itself to cover liability or losses occurring by reason of the act or omission of a trustee, if such insurance permits recourse by the insurer against the trustee in the case of a breach of a fiduciary obligation by such trustee;

"(ii) a trustee from purchasing insurance to cover liability under this section from and for his own account; or

"(iii) an employer or an employee organization from purchasing insurance to cover potential liability of one or more trustees with respect to their fiduciary responsibilities, obligations, and duties under this section.

"(D) BONDING.—Every trustee and every person who handles funds or other property of the Fund (hereafter in this subsection referred to as "Trust official") shall be bonded. Such bond shall provide protection to the Fund against loss by reason of acts of fraud or dishonesty on the part of any Trust official, directly or through the connivance of others, and shall be in accordance with the following:

"(i) The amount of such bond shall be fixed at the beginning of each fiscal year of the Trust by the Railroad Retirement Board. Such amount shall not be less than 10 percent of the amount of the funds handled. In no case shall such bond be less than \$1,000 nor more than \$500,000, except that the Railroad Retirement Board, after consideration of the record, may prescribe an amount in excess of \$500,000, subject to the 10 percent limitation of the preceding sentence.

"(ii) It shall be unlawful for any Trust official to receive, handle, disburse, or otherwise exercise custody or control of any of the funds or other property of the Fund without being bonded as required by this subsection and it shall be unlawful for any Trust official, or any other person having authority to direct the performance of such functions, to permit such functions, or any of them, to be performed by any Trust official, with respect to whom the requirements this subsection have not been met.

"(iii) It shall be unlawful for any person to procure any bond required by this subsection from any surety or other company or through any agent or broker in whose business operations such person has any control or significant financial interest, direct or indirect.

"(E) AUDIT AND REPORT.—

"(i) The Trust shall annually engage an independent qualified public accountant to audit the financial statements of the Fund.

"(ii) The Trust shall submit an annual management report to the Congress not later than 180 days after the end of the Trust's fiscal year. A management report under this subsection shall include—

"(I) a statement of financial position;

"(II) a statement of operations;

"(III) a statement of cash flows;

"(IV) a statement on internal accounting and administrative control systems;

"(V) the report resulting from an audit of the financial statements of the Trust conducted under subparagraph (E)(i); and

"(VI) any other comments and information necessary to inform the Congress about the

operations and financial condition of the Trust and the Fund.

“(iii) The Trust shall provide the President, the Railroad Retirement Board, and the Director of the Office of Management and Budget a copy of the management report when it is submitted to Congress.

“(F) ENFORCEMENT.—The Railroad Retirement Board may bring a civil action—

“(i) to enjoin any act or practice by the Railroad Retirement Investment Trust, its Board of Trustees or its employees or agents that violates any provision of this Act; or

“(ii) to obtain other appropriate relief to redress such violations, or to enforce any provisions of this Act.

“(6) RULES AND ADMINISTRATIVE POWERS.—The Board of Trustees shall have the authority to make rules to govern its operations, employ professional staff, and contract with outside advisers to provide legal, accounting, investment advisory or other services necessary for the proper administration of this subsection. In the case of contracts with investment advisory services, compensation for such services may be on a fixed contract fee basis or on such other terms and conditions as are customary for such services.

“(7) QUORUM.—Five members of the Board of Trustees constitute a quorum to do business. Investment guidelines must be adopted by a unanimous vote of the entire Board of Trustees. All other decisions of the Board of Trustees shall be decided by a majority vote of the quorum present. All decisions of the Board of Trustees shall be entered upon the records of the Board of Trustees.”

(b) CONFORMING AND TECHNICAL AMENDMENTS GOVERNING INVESTMENTS.—Subsection 15(e) of the Railroad Retirement Act of 1974 is amended—

(1) beginning in the first sentence, by striking “, the Dual Benefits Payments Account” and all that follows through “may be made only” in the second sentence and inserting “and the Dual Benefits Payments Account as are not transferred to the Railroad Retirement Investment Trust as the Board may determine”;

(2) by striking “the Second Liberty Bond Act, as amended” and inserting “chapter 31 of title 31”; and

(3) by striking “the foregoing requirements” and inserting “the requirements of this subsection”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this section.

#### SEC. 106. ELIMINATION OF SUPPLEMENTAL ANNUITY ACCOUNT.

(a) SOURCE OF PAYMENTS.—Section 7(c)(1) of the Railroad Retirement Act of 1974 is amended by striking “payments of supplemental annuities under section 2(b) of this Act shall be made from the Railroad Retirement Supplemental Account, and”.

(b) ELIMINATION OF ACCOUNT.—Section 15(c) of the Railroad Retirement Act of 1974 is repealed.

(c) IN GENERAL.—Section 15(a) of the Railroad Retirement Act of 1974 is amended by striking “, except those portions of the amounts covered into the Treasury under sections 3211(b).” and all that follows through the end of the subsection and inserting a period.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect January 1, 2001, except that the Railroad Retirement Supplemental Account shall continue to exist until the transfer authorized by the following sentence occurs. As soon as possible after December 31, 2000, the Board shall determine the balance in the Railroad Retirement Supplemental Account and shall direct the Secretary of the Treasury to transfer such amount to the Railroad Retirement Trust Fund and the Secretary shall make such transfer.

#### SEC. 107. TRANSFER AUTHORITY REVISIONS.

(a) RAILROAD RETIREMENT ACCOUNT.—Section 15 of the Railroad Retirement Act of 1974 is amended by adding after subsection (j) the following:

“(k) TRANSFERS TO THE FUND.—The Board shall, upon establishment of the Railroad Retirement Trust Fund and from time to time thereafter, direct the Secretary of the Treasury to transfer, in such manner as will maximize the investment returns to the Railroad Retirement system, that portion of the Railroad Retirement Account that is not needed to pay current administrative expenses of the Board to the Railroad Retirement Trust Fund. The Secretary shall make that transfer.”.

(b) RAILROAD RETIREMENT TRUST FUND.—Section 15 of the Railroad Retirement Act of 1974, as amended by subsection (a), is further amended by adding after subsection (k) the following:

“(1) RAILROAD RETIREMENT TRUST FUND.—The Railroad Retirement Trust shall from time to time transfer to the disbursing agent described in section 7(b)(4) such amounts as may be necessary to pay benefits under this Act (other than benefits paid from the Social Security Equivalent Benefit Account or the Dual Benefit Payments Account).”

(c) SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT.—Section 15A(d)(2) of the Railroad Retirement Act of 1974 is amended to read as follows:

“(2) Upon establishment of the Railroad Retirement Trust Fund and from time to time thereafter, the Board shall direct the Secretary of the Treasury to transfer, in such manner as will maximize the investment returns to the Railroad Retirement system, the balance of the Social Security Equivalent Benefit Account not needed to pay current benefits required to be paid from that Account to the Railroad Retirement Trust Fund, and the Secretary shall make that transfer. Any balance transferred under this paragraph shall be used by the Railroad Retirement Trust only to pay benefits under this Act or to purchase obligations of the United States that are backed by the full faith and credit of the United States pursuant to chapter 31 of title 31, United States Code. The proceeds of sales of, and the interest income from, such obligations shall be used by the Trust only to pay benefits under this Act.”.

(2) TRANSFERS TO DISBURSING AGENT.—Section 15A(c)(1) of the Railroad Retirement Act of 1974 is amended by adding at the end the following: “The Secretary shall from time to time transfer to the disbursing agent under section 7(b)(4) amounts necessary to pay those benefits.”.

(3) CONFORMING AMENDMENT.—Section 15A(d)(1) of the Railroad Retirement Act of 1974 is amended by striking the second and third sentences.

(d) DUAL BENEFITS PAYMENTS ACCOUNT.—Section 15(d)(1) of the Railroad Retirement Act of 1974 is amended by adding at the end the following: “The Secretary of the Treasury shall from time to time transfer from the Dual Benefits Payments Account to the disbursing agent under section 7(b)(4) amounts necessary to pay benefits payable from that Account.”.

(e) CERTIFICATION BY THE BOARD AND PAYMENT.—Paragraph (4) of section 7(b) of the Railroad Retirement Act of 1974 is amended to read as follows:

“(4)(A) The Railroad Retirement Board, after consultation with the Board of Trustees of the Railroad Retirement Trust and the Secretary of the Treasury, shall enter into an arrangement with a nongovernmental financial institution to serve as disbursing agent for benefits payable under this Act who shall disburse consolidated benefits under this Act to each recipient.

“(B) The Board shall from time to time certify—

“(i) to the Secretary of the Treasury the amounts required to be transferred from the Social Security Equivalent Benefit Account and the Dual Benefits Payments Account to the disbursing agent to make payments of benefits and the Secretary of the Treasury shall transfer those amounts;

“(ii) to the Board of Trustees of the Railroad Retirement Investment Trust the amounts required to be transferred from the Railroad Retirement Investment Trust to the disbursing agent to make payments of benefits and the Board of Trustees shall transfer those amounts; and

“(iii) to the disbursing agent the name and address of each individual entitled to receive a payment, the amount of such payment, and the time at which the payment should be made.”.

(f) BENEFIT PAYMENTS.—Section 7(c)(1) of the Railroad Retirement Act of 1974 is amended—

(1) by striking “from the Railroad Retirement Account” and inserting “by the disbursing agent under subsection (b)(4) from money transferred to it from the Railroad Retirement Trust Fund or the Social Security Equivalent Benefit Account, as the case may be”; and

(2) by inserting “by the disbursing agent under subsection (b)(4) from money transferred to it” after “Public Law 93-445 shall be made”.

(g) TRANSITIONAL RULE FOR EXISTING OBLIGATION.—In making transfers under subsections (a) and (c), the Board shall consult with the Secretary of the Treasury to design an appropriate method to transfer obligations held as of the date of enactment or to convert such obligations to cash prior to transfer. The Railroad Retirement Trust may hold to maturity any obligations so received or may redeem them prior to maturity, as the Trust deems appropriate.

#### SEC. 108. ANNUAL RATIO PROJECTIONS AND CERTIFICATIONS BY THE RAILROAD RETIREMENT BOARD.

(a) PROJECTIONS.—Section 22(a)(1) of the Railroad Retirement Act of 1974 is amended—

(1) by adding the following sentence after the first sentence: “On or before May 1 of each year beginning in 2002, the Railroad Retirement Board shall compute its projection of the account benefits ratio and the average account benefits ratio (as defined by section 3241(c) of the Internal Revenue Code of 1986) for each of the next succeeding five fiscal years.”; and

(2) by striking “the projection prepared pursuant to the preceding sentence” and inserting “the projections prepared pursuant to the preceding two sentences”.

(b) CERTIFICATIONS.—The Railroad Retirement Act of 1974 is amended by adding at the end the following:

“COMPUTATION AND CERTIFICATION OF ACCOUNT BENEFIT RATIOS

“SEC. 23. (a) On or before November 1, 2002, the Railroad Retirement Board shall—

“(1) compute the account benefits ratios for each of the most recent 10 preceding fiscal years, and

“(2) certify the account benefits ratios for each such fiscal year to the Secretary.

“(b) On or before November 1 of each year after 2002, the Railroad Retirement Board shall—

“(1) compute the account benefits ratio for the fiscal year ending in such year, and

“(2) certify the account benefits ratio for such fiscal year to the Secretary.

“(c) DEFINITION.—As used in this section, the term ‘account benefit ratio’ has the meaning given that term in section 3241(c) of the Internal Revenue Code of 1986.”.

**TITLE II—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986**

**SEC. 201. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.**

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

**SEC. 202. EXEMPTION FROM TAX FOR RAILROAD RETIREMENT INVESTMENT TRUST.**

Subsection (c) of section 501 is amended by adding at the end the following new paragraph:

“(28) The Railroad Retirement Investment Trust established under section 15(j) of the Railroad Retirement Act of 1974.”

**SEC. 203. REPEAL OF SUPPLEMENTAL ANNUITY TAX.**

(a) REPEAL OF TAX ON EMPLOYEE REPRESENTATIVES.—Section 3211 is amended by striking subsection (b).

(b) REPEAL OF TAX ON EMPLOYERS.—Section 3221 is amended by striking subsections (c) and (d).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after December 31, 2000.

**SEC. 204. EMPLOYER, EMPLOYEE REPRESENTATIVE, AND EMPLOYEE TIER 2 TAX RATE ADJUSTMENTS.**

(a) RATE OF TAX ON EMPLOYERS.—Subsection (b) of section 3221 is amended to read as follows:

“(b) TIER 2 TAX.—  
“(1) IN GENERAL.—In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, equal to the applicable percentage of the compensation paid during any calendar year by such employer for services rendered to such employer.  
“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term ‘applicable percentage’ means—  
“(A) 15.6 percent in the case of compensation paid during 2001,  
“(B) 14.2 percent in the case of compensation paid during 2002, and  
“(C) in the case of compensation paid during any calendar year after 2002, the percentage determined under section 3241 for such calendar year.”

(b) RATE OF TAX ON EMPLOYEE REPRESENTATIVES.—Section 3211, as amended by section 203, is amended by striking subsection (a) and inserting the following new subsections:  
“(a) TIER 1 TAX.—In addition to other taxes, there is hereby imposed on the income of each employee representative a tax equal to the applicable percentage of the compensation received during any calendar year by such employee representative for services rendered by such employee representative. For purposes of the preceding sentence, the term ‘applicable percentage’ means the percentage equal to the sum of the rates of tax in effect under subsections (a) and (b) of section 3101 and subsections (a) and (b) of section 3111 for the calendar year.  
“(b) TIER 2 TAX.—  
“(1) IN GENERAL.—In addition to other taxes, there is hereby imposed on the income of each employee representative a tax equal to the applicable percentage of the compensation received during any calendar year by such employee representatives for services rendered by such employee representative.  
“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term ‘applicable percentage’ means—  
“(A) 14.75 percent in the case of compensation received during 2001,  
“(B) 14.20 percent in the case of compensation received during 2002, and

“(C) in the case of compensation received during any calendar year after 2002, the percentage determined under section 3241 for such calendar year.  
“(c) CROSS REFERENCE.—  
“(C) IN GENERAL.—In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to the applicable percentage of the compensation received during any calendar year by such employee for services rendered by such employee.  
“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term ‘applicable percentage’ means—  
“(A) 4.90 percent in the case of compensation received during 2001 or 2002, and  
“(B) in the case of compensation received during any calendar year after 2002, the percentage determined under section 3241 for such calendar year.”

(c) RATE OF TAX ON EMPLOYERS.—Subsection (b) of section 3201 is amended to read as follows:  
“(b) TIER 2 TAX.—  
“(1) IN GENERAL.—In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to the applicable percentage of the compensation received during any calendar year by such employee for services rendered by such employee.  
“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term ‘applicable percentage’ means—  
“(A) 4.90 percent in the case of compensation received during 2001 or 2002, and  
“(B) in the case of compensation received during any calendar year after 2002, the percentage determined under section 3241 for such calendar year.”

(d) DETERMINATION OF RATE.—Chapter 22 is amended by adding at the end thereof the following new subchapter:

**“Subchapter E—Tier 2 Tax Rate Determination**  
“Sec. 3241. Determination of tier 2 tax rate based on average account benefits ratio.  
“SEC. 3241. DETERMINATION OF TIER 2 TAX RATE BASED ON AVERAGE ACCOUNT BENEFITS RATIO.  
“(a) IN GENERAL.—For purposes of sections 3201(b), 3211(b), and 3221(b), the applicable percentage for any calendar year is the percentage determined in accordance with the table in subsection (b).  
“(b) TAX RATE SCHEDULE.—

“(1) IN GENERAL.—In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to the applicable percentage of the compensation received during any calendar year by such employee for services rendered by such employee.  
“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term ‘applicable percentage’ means—  
“(A) 4.90 percent in the case of compensation received during 2001 or 2002, and  
“(B) in the case of compensation received during any calendar year after 2002, the percentage determined under section 3241 for such calendar year.”

(d) DETERMINATION OF RATE.—Chapter 22 is amended by adding at the end thereof the following new subchapter:

**“Subchapter E—Tier 2 Tax Rate Determination**  
“Sec. 3241. Determination of tier 2 tax rate based on average account benefits ratio.  
“SEC. 3241. DETERMINATION OF TIER 2 TAX RATE BASED ON AVERAGE ACCOUNT BENEFITS RATIO.  
“(a) IN GENERAL.—For purposes of sections 3201(b), 3211(b), and 3221(b), the applicable percentage for any calendar year is the percentage determined in accordance with the table in subsection (b).  
“(b) TAX RATE SCHEDULE.—

“(1) IN GENERAL.—In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, equal to the applicable percentage of the compensation paid during any calendar year by such employer for services rendered to such employer.  
“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term ‘applicable percentage’ means—  
“(A) 15.6 percent in the case of compensation paid during 2001,  
“(B) 14.2 percent in the case of compensation paid during 2002, and  
“(C) in the case of compensation paid during any calendar year after 2002, the percentage determined under section 3241 for such calendar year.”

(b) RATE OF TAX ON EMPLOYEE REPRESENTATIVES.—Section 3211, as amended by section 203, is amended by striking subsection (a) and inserting the following new subsections:  
“(a) TIER 1 TAX.—In addition to other taxes, there is hereby imposed on the income of each employee representative a tax equal to the applicable percentage of the compensation received during any calendar year by such employee representative for services rendered by such employee representative. For purposes of the preceding sentence, the term ‘applicable percentage’ means the percentage equal to the sum of the rates of tax in effect under subsections (a) and (b) of section 3101 and subsections (a) and (b) of section 3111 for the calendar year.  
“(b) TIER 2 TAX.—  
“(1) IN GENERAL.—In addition to other taxes, there is hereby imposed on the income of each employee representative a tax equal to the applicable percentage of the compensation received during any calendar year by such employee representatives for services rendered by such employee representative.  
“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term ‘applicable percentage’ means—  
“(A) 14.75 percent in the case of compensation received during 2001,  
“(B) 14.20 percent in the case of compensation received during 2002, and

“(c) DEFINITIONS RELATED TO DETERMINATION OF RATES OF TAX.—  
“(1) AVERAGE ACCOUNT BENEFITS RATIO.—For purposes of this section, the term ‘average account benefits ratio’ means, with respect to any calendar year, the average determined by the Secretary of the account benefits ratios for the 10 most recent fiscal years ending before such calendar year. If the amount determined under the preceding sentence is not a multiple of 0.1, such amount shall be increased to the next highest multiple of 0.1.  
“(2) ACCOUNT BENEFITS RATIO.—For purposes of this section, the term ‘account benefits ratio’ means, with respect to any fiscal year, the amount determined by the Railroad Retirement Board by dividing the fair market value of the assets in the Railroad Retirement Account and of the Railroad Retirement Investment Trust (and for years before 2001, the Social Security Equivalent Benefits Account) as of the close of such fiscal year by the total benefits and adminis-

	Average account benefits ratio		Applicable percentage for sections 3211(b) and 3221(b)	Applicable percentage for section 3201(b)
	At least	But less than		
2.5	2.5	22.1	4.9	
3.0	3.0	18.1	4.9	
3.5	3.5	15.1	4.9	
4.0	4.0	14.1	4.9	
4.5	4.5	13.1	4.9	
5.0	5.0	12.6	4.4	
5.5	5.5	12.1	3.9	
6.0	6.0	11.6	3.4	
6.5	6.5	11.1	2.9	
7.0	7.0	10.1	1.9	
7.5	7.5	9.1	0.9	
8.0	8.0	8.2	0	
8.5	8.5			
9.0	9.0			

“(c) DEFINITIONS RELATED TO DETERMINATION OF RATES OF TAX.—  
“(1) AVERAGE ACCOUNT BENEFITS RATIO.—For purposes of this section, the term ‘average account benefits ratio’ means, with respect to any calendar year, the average determined by the Secretary of the account benefits ratios for the 10 most recent fiscal years ending before such calendar year. If the amount determined under the preceding sentence is not a multiple of 0.1, such amount shall be increased to the next highest multiple of 0.1.  
“(2) ACCOUNT BENEFITS RATIO.—For purposes of this section, the term ‘account benefits ratio’ means, with respect to any fiscal year, the amount determined by the Railroad Retirement Board by dividing the fair market value of the assets in the Railroad Retirement Account and of the Railroad Retirement Investment Trust (and for years before 2001, the Social Security Equivalent Benefits Account) as of the close of such fiscal year by the total benefits and adminis-

trative expenses paid from the Railroad Retirement Account and the Railroad Retirement Investment Trust during such fiscal year.  
“(d) NOTICE.—No later than December 1 of each calendar year, the Secretary shall publish a notice in the Federal Register of the rates of tax determined under this section which are applicable for the following calendar year.”

(e) CONFORMING AMENDMENTS.—  
(1) Section 24(d)(3)(A)(iii) is amended by striking “section 3211(a)(1)” and inserting “section 3211(a)”.

(2) Section 72(r)(2)(B)(i) is amended by striking “section 3211(a)(2)” and inserting “section 3211(b)”.

(3) Paragraphs (2)(A)(iii)(II) and (4)(A) of section 3231(e) is amended by striking “3211(a)(1)” and inserting “3211(a)”.

(4) Section 3231(e)(2)(B)(ii)(I) is amended by striking “3211(a)(2)” and inserting “3211(b)”.

(5) The table of subchapters for chapter 22 is amended by adding at the end the following new item:  
“Subchapter E. Tier 2 tax rate determination.”

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after December 31, 2000.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from Minnesota (Mr. OBERSTAR) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent to yield 5 minutes of my time to the gentleman from Michigan (Mr. SMITH) and that he be allowed to control said time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. OBERSTAR. Mr. Speaker, I ask unanimous consent to yield 5 minutes of my time to the gentleman from Michigan (Mr. SMITH) for the purposes of yielding time to others, as well for the purposes of managing 5 minutes.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan will control 10 minutes.

Mr. SHUSTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of this bipartisan measure which represents the most comprehensive modernization of the railroad retirement system in nearly two decades.

The bill is also the fruit of an arduous 2-year labor-management negotiating process, followed by consideration in two different committees of the House. I particularly want to commend on the Committee of Transportation and Infrastructure our ranking member, the gentleman from Minnesota (Mr. OBERSTAR); the gentleman from Wisconsin (Mr. PETRI), chairman of the Subcommittee on Ground Transportation; and the gentleman from West Virginia (Mr. RAHALL), the ranking member, who have all provided

very able and diligent assistance in putting this package together.

I also want to acknowledge and commend the bipartisan efforts of the Committee on Ways and Means leadership. Specifically, we could not be poised to pass such important legislation today without the work of the gentleman from Texas (Chairman ARCHER); the gentleman from New York (Mr. RANGEL), the ranking member; the gentleman from Florida (Mr. SHAW), the subcommittee chairman; and the gentleman from California (Mr. MATSUI), the subcommittee ranking member. Both committees have shown that they can pull together to produce a major reform package such as this one.

I will not attempt to detail the very complex bill here today, only to touch on some of the highlights. Reducing the pension retirement age to 60 with 30 years of service; providing for full inheritance of pension annuities by surviving spouses and cutting the vesting requirement in half to put it on the same 5-year basis with most other pension plans. While increasing benefits, this bill allows for payroll tax reductions, based on the performance of the underlying trust fund. Having a professionally managed investment portfolio will allow railroad retirees to benefit from returns comparable to those available in other pension plans.

I want to stress, Mr. Speaker, that this legislation in no way prejudices whatever decision this Congress might make with regard to Social Security reform. This bill is addressed only to the pension or the Tier II part of railroad retirement. Tier I, the railroad counterpart of Social Security, is not touched in any way.

From a fiscal standpoint, when we apply common sense to this bill, it is assuring a sound and prosperous future for railroad retirement. First, it creates an automatic tax adjustment mechanism so that the payroll tax rates can float up or down reflecting the performance of the pension assets.

Secondly, this automatic adjustment mechanism is structured to assure a minimum of 4 years of benefit reserves.

Third, by diversifying the investment of the Tier II pension assets, it helps both rail workers and employers grow their retirement fund more rapidly than is permitted under current law.

Mr. Speaker, this bill is a win for all, for railroad workers, for railroad retirees, for the railroads that provide a key part of our transport network and for the taxpayer, through enhanced fiscal soundness of the railroad retirement system. I strongly urge its approval.

Mr. Speaker, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Speaker, I yield myself 6 minutes.

The legislation before us, Mr. Speaker, will bring substantial benefits to the more than 1 quarter million men and women who work on America's railroads and the more than 700,000 retirees and survivors of retired railroad

workers. At the same time, this legislation allows for a significant reduction in the payroll taxes paid by the Nation's railroads.

It is a win for railroads. It is a win for railroad labor. It is a win for retirees.

I want to compliment our chairman, the gentleman from Pennsylvania (Mr. SHUSTER), for the splendid work that he has done and the cooperation extended across the aisle, as we have done so often on so many issues in our committee.

Once again, we have brought a very contentious issue to fruition, through the committee process, through collaboration and cooperation and working out something that is in the best public interest.

I want to thank our ranking member on our side, the gentleman from West Virginia (Mr. RAHALL), for his leadership and working together with railroad labor railroads and the gentleman from Illinois (Mr. LIPINSKI) for the work that he did in previous years as the ranking member on the Subcommittee on Railroads and for his continued interest in and support of this issue and many other Members on our side and on the Republican side who have worked so hard to bring us to this point.

This point is an historic agreement reached by railroad labor and management after 2 years of very tough negotiations. The benefit improvements and tax cuts are made possible by changing current law that limits the investment of railroad retirement trust fund assets to only government securities.

The proposed changes govern how railroad retirement trust fund assets can be invested. The changes will not affect the solvency of the railroad retirement system. The Tier I portion, which is Social Security benefits, will continue to be invested only in government securities.

Tier II, the part of the system that offers pension plan type benefits above the Social Security benefit levels, will be eligible for investment in assets other than government securities. The projected increase in trust fund income from these changes are based on fairly conservative forecasts of the rates of return that can be earned from such a diversified portfolio, about 2 percentage points above the return on government securities.

Most importantly, if those investments fail to perform as well as expected, workers' pensions are further protected as this legislation and in the agreement that underlies the legislation which requires that the railroads absorb any future tax increase that might be necessary to keep this system solvent. Ultimately, the Federal Government continues to be responsible for the security of the railroad retirement system.

This legislation offers the first major benefit improvements in the railroad retirement program in more than 25 years.

Just a few of the improvements, and I will cite the primary benefits.

First, the age at which employees can retire with full benefits is reduced from 62 to 60 years with 30 years of service.

Second, the number of years required for vesting in the railroad retirement system is reduced from 10 years to 5 years.

Third, the benefit of widows and widowers will be expanded.

Fourth, the limits on certain Tier II annuities are repealed.

Fifth, the bill calls for automatic future improvements if the retirement plan becomes overfunded.

The bill allows for railroads' payroll taxes for Tier II benefits to decline from the current level of 16.1 percent to 13.1 percent. By the third year following passage of the bill, the railroads stand to gain nearly \$400 million a year from lower payroll taxes. These savings go directly to the railroads' bottom lines, can be used to make the investments they need in improving railroad infrastructure and to improve the wages and working conditions of railway workers.

It is important for us to point out that nothing in the legislation alters the fundamental nature of the railroad retirement program. Benefits will continue to be guaranteed in the final analysis by the Federal Government. This is a good bill. It is good for workers. It is good for retirees. It is good for their survivors. It is good for the railroads and for the national economy. I urge all Members to give it their support.

Mr. Speaker, I reserve the balance of my time.

□ 1615

Mr. SMITH of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think the question before us is should we delve into using taxpayer money to, if you will, bail out a private pension retirement plan for railroad workers.

Let me just quote some of the facts developed by our Committee on the Budget, four reasons that Members should oppose this bill.

Number one may be the most important as far as the American taxpayers are concerned. The Committee on the Budget says it will cost \$33 billion of taxpayer money over the next 10 years. This bill increases benefits and reduces contributions to the Railroad Retirement System by \$7 billion over the next 10 years.

In addition, it allows the Railroad Retirement System to cash in \$15 billion in government bonds now held by the railroad industry pension fund. These actions will reduce the budget surplus, thereby increasing the Government's interest costs by \$13 billion over that time period. The net cost to U.S. taxpayers, including the offset, therefore, is \$33 billion.

Again, with all of the pension plans in this country, many of them facing

difficulty and insolvency as life spans continue to increase, it reminds me of some of the problems with Social Security. Social Security has some of the exact same problems as the railroad retirement pension plan.

Let me give the second reason suggested by the Committee on the Budget staff. This bill maintains a special subsidy available to no other industry. Under current law, income taxes paid by railroad retirees on their retirement benefits are transferred to the Railroad Retirement System. Therefore, they do not pay the taxes. This subsidy, which is available to no other industry, will cost taxpayers more than \$5 billion.

Number three, it allows the Railroad Retirement System to really raid Social Security. I ask my colleagues to consider the fact that Social Security is becoming insolvent, it is insolvent, and this bill in effect takes some of that Social Security solvency additionally away.

This bill allows the transfer of funds from the railroad retirement Social Security equivalent benefit account to the Social Security retirement trust fund. This transfer will result in Social Security funds being used to pay railroad retirement benefits.

Number four, I think it sets a bad precedent for Social Security reform. Instead of creating personal accounts with individual ownership and control over these accounts, this bill creates a government-appointed board to invest in the stock market on a collective basis. Under collective investments, there is no way to guarantee younger workers that they would receive any of the higher returns earned by the Government with their investment.

So, number one, we are bailing out to the tune of \$33 billion, according to the staff of the Committee on the Budget; number two, we are having government go into the business of investing those funds, and I think both precedents are dangerous as we look at Social Security.

Let me quote some information from the Congressional Research Service: "This Railroad Retirement and Survivors Improvement Act," as it is called, "proposes a number of substantive changes."

Number one, the bill would increase benefits for widows and widowers of railroad employees. It would lower the minimum age at which workers with 30 years of employment are eligible for those benefits. So we reduce the requirement for benefits while we ask the American taxpayer to bail them out, using some Social Security money. Something is wrong with this legislation as a precedent, as a way to solve a problem that the railroad retirees have. How many private pension funds do we really want to go into? Government got mixed up in it. It is quasi-governmental.

Mr. Speaker, at this time, so I will have some time to react to other statements, 10 minutes out of the 40 minutes is given against the bill, which I

think reflects some of the positive votes as it moved through two separate committees, I will reserve the balance of my time.

Mr. Speaker, I reserve the balance of my time.

Mr. SHUSTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, before I yield to my good friend from the Committee on Ways and Means, I want to emphasize that of the \$33 billion that my good friend from Michigan talks about, the overwhelming majority of that money is paid for by the employers and the employees.

This is a self-financing trust fund. The only part which is not is \$6 billion over 10 years, which is transferred simply from government securities to private investment funds, and indeed I should think anybody who believes in the market and in free enterprise and entrepreneurialism would be in support of doing that, because it is going to generate more money.

So to say that this is going to cost the taxpayers this money is simply not accurate, in my judgment.

Mr. Speaker, I am pleased to yield 5 minutes to the distinguished gentleman from Florida (Mr. SHAW).

Mr. SHAW. Mr. Speaker, I thank the chairman for yielding me this time.

The Railroad Retirement and Survivors Improvement Act makes important changes to the Railroad Retirement System that will enhance benefits, increase the industry's responsibility over its pension system, and set the stage for more substantial reforms in the future that would make the program a free-standing pension plan.

The Railroad Retirement System is divided into two tiers: The first tier resembles Social Security, and the second tier resembles a defined benefit employer pension plan. The second tier is very unique. It resembles a private pension plan, but it is administered by the Federal Government. Benefits are entitled under Federal law. The legislation before us today deals primarily with the second tier, the industry's pension plan.

H.R. 4844 makes many improvements to the industry's pension. First, it allows the industry to diversify its assets portfolio by investing in private securities. There is not one single private or state pension system out there today that invests 100 percent of its assets in Treasury bills.

Secondly, it allows the industry to invest its pension contributions outside of the Federal Government and outside the Government's control.

Third, the proposal increases the industry's responsibility over the financial soundness of its pension plan. In the past, when the system ran into financial trouble, the Government had to bail the program out. Under this bill, there is a mechanism which automatically adjusts the industry's taxes if the program gets into trouble. The responsibility and the investment risk falls on the industry. It does not fall upon the taxpayer.

Finally, this legislation takes important steps towards converting the system into a freestanding industry pension plan outside of Federal jurisdiction. Under this bill, the second tier of the Railroad Retirement System becomes more like any other defined benefit employer plan or State pension plan. Its assets are invested in private securities outside of the Treasury, it is governed by a board of trustees who are bound by fiduciary principles similar to ERISA, and also benefit checks are no longer paid by the Treasury.

In closing, I would like to emphasize that the benefit changes and the tax changes made by this bill are paid for within the Railroad Retirement System. The Railroad Retirement System is a self-financing program. Like Social Security, it is entirely financed with dedicated payroll taxes on workers and employers and the taxes that retirees pay on the benefits. The costs of this plan are borne by the Railroad Retirement System, not by the taxpayer.

Mr. Speaker, I would like to add here in answer to comments by the gentleman from Michigan (Mr. SMITH) that the budgetary impact is primarily due to the fact that these Treasury bills are being cashed in in order to make these investments. That does have a budgetary impact. But the budgetary impact really is minimal, because we will be saving in future years the interest that the Treasury has paid. And it is doing something else; it is retiring much of the public debt that the Federal Government owes, which is something that I think both parties at least say that they support, and I certainly do.

Mr. Speaker, I would urge my colleagues to support this piece of bipartisan legislation. I would like to say this was a rare situation where we found ourselves in the enviable position of reaching out and crossing the aisle to our friends in the Democrat Party. It was also quite an experience seeing the industry and the unions coming together to ask for these changes. Moreover this bill is a good thing for the United States taxpayers.

Let me also add that during the debate today, certain questions have been raised about the budgetary effects of this bill. With this statement, I am submitting a response to these concerns. Again, I urge my colleagues to join me in support of this legislation.

#### RESPONSE TO CONCERNS

1. The bill increases railroad retirement benefits, reduces railroad payroll taxes, and allows the industry to cash in the government bonds in their Trust Fund. These changes will cost taxpayers \$20.8 billion over 10 years (\$33 billion when interest is included).

The Railroad Retirement system is a self-financing system—just like Social Security. It is paid for with dedicated payroll taxes and taxes that retirees pay on their benefits. The cost of the tax cuts and benefit increases contained in this bill does not fall on the general taxpayer. The cost is wholly paid for with taxes levied on railroad workers, railroad employers, and railroad retirees.

The proposal allows the Railroad Retirement system to invest in private-sector securities.

This means that most of the Treasury securities currently held in the Railroad Retirement Account must be redeemed so they can be transferred to an independent account outside of Treasury. This one-time cost of redeeming the Treasury securities will be borne by taxpayers. However, this is money that the General Fund owes the Railroad Retirement system. It reflects past surpluses that the government has borrowed from the system and must now repay.

2. The proposal will reduce the budget surplus by \$20.8 billion and increase the government's interest costs.

The bill reduces the on-budget surplus because the Railroad Retirement system is an on-budget program. As a result, any changes to the system will affect the on-budget surplus—just like changes to Social Security affect the off-budget surplus.

The bill would not increase the government's interest costs. In fact, the Treasury securities in the Railroad Retirement Account are part of the total government debt. Once they are redeemed, the total government debt will fall, and so will the associated interest payments.

3. The bill maintains a special subsidy available to no other industry. Under current law, the income taxes paid by railroad retirees on their retirement benefits are transferred to the Railroad Retirement system instead of the U.S. Treasury. This subsidy costs taxpayers nearly \$6 billion.

This is not a subsidy, and it doesn't cost taxpayers anything. The tax is not paid by the general taxpayer—it is paid by railroad retirees. Appropriately, the revenues from the tax go back to the Railroad Retirement system instead of the General Fund of the Treasury. In the same vein, the taxes that seniors pay on their Social Security benefits go back to the Social Security Trust Fund instead of the General Fund.

4. ERISA standards were designed to ensure that companies properly funded their pension plans. However, the railroad industry has a \$39.7 billion unfunded liability. Instead of moving toward a funded system, this bill allows the Railroad Industry to enjoy lower taxes and higher benefits now in exchange for higher taxes or lower benefits in the future.

The Railroad Retirement system is not subject to ERISA, and it is not a funded system. Instead, it is a pay-as-you-go system where annual tax revenues are used to pay annual benefits. The trust fund balances in the Railroad Retirement Account are currently large enough to pay more than 5 years worth of benefits. This is considered quite high for a pay-as-you-go system. That's why the system can afford to cut taxes and pay higher benefits.

Although the system can afford these changes in the short run, it may not be able to afford them over time. As a result, the proposal includes a provision that allows the tax rate to adjust each year based on the system's funding situation. For the first time ever, the burden of maintaining the system's solvency will fall on the railroad industry—not the general taxpayer.

Many experts and commissions have recommended that the Railroad Retirement system should be converted into a fully-funded system covered by ERISA. However, it would be very difficult to take this step without the industry's support. This bill is a step in the right

direction because it puts the mechanisms in place to move toward a free-standing pension plan outside of federal jurisdiction. If this bill is enacted, the system would resemble a private pension plan, making it much easier to make the transition in the future.

5. The bill will reduce the solvency of the Railroad Retirement system.

Under current law, the Railroad Retirement system is solvent over 75 years under optimistic and intermediate assumptions. The actuaries of the Railroad Retirement Board have certified that the system remains solvent for 75 years under the provisions of this bill.

6. The bill sets a bad precedent for Social Security reform—instead of creating personal accounts with individual ownership and control, this bill creates a government-appointed board to invest in the stock market on a collective basis.

This proposal primarily affects the second tier of the Railroad Retirement system—the part that resembles a private employer pension plan. Because this bill mostly deals with the industry pension, not the Social Security equivalent, the changes made by this bill cannot (and should not) translate to the Social Security program. After all, Social Security is a social insurance program—it is not a pension plan.

Mr. OBERSTAR. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MATSUI), the ranking member on the Subcommittee on Social Security of the Committee on Ways and Means.

Mr. MATSUI. Mr. Speaker, I would like to thank the gentleman from Minnesota, the ranking Democrat on the Committee on Transportation and Infrastructure, for yielding this time.

I would like to commend both the gentleman from Pennsylvania (Mr. SHUSTER), the gentleman from Minnesota (Mr. OBERSTAR), obviously my colleague and chairman of the Subcommittee on Social Security (Mr. SHAW), and other Members who have been working on this legislation.

This legislation is supported and sponsored by the Association of American Railroads, which are all the railroads in the United States, along with 60 percent of the membership of the railroad labor unions. In my opinion, it took years and years to put together, and for Members to vote this down now would be tragic, because this would have an impact on 254,000 current employees of the industry, and over 700,000 families and individuals that are currently retired. This helps widows and widowers, who will have a \$300 increase in benefits, and it will reduce the age of retirement from 62 to 60, the change we made in 1983, and we now need to go back to age 60. So in terms of benefits to the employees and to the industry, this is tremendous.

The reason that there is a cost, as the gentleman from Michigan (Mr. SMITH) has raised, as I think the gentleman from Florida (Mr. SHAW) has indicated, there is a one-time cost, because what we are doing is we are bringing in government bonds to allow the Tier II part of the system to be invested in the private equity market.

That is not a violation of Social Security or anything like that. All that is for, that is like a private defined benefit pension. Tier I programs are like Social Security. Tier II is like a private pension system. Frankly, it is the only pension system that the Federal Government operates, because of a historic relationship with the railroad industry and obviously with the employees. So the \$15 billion will be paid down over time. It will not be a continuing obligation to the Federal Government.

Secondly, we received a letter dated the 18th of July, 2000, from Steven Goss, the deputy chief actuary of the Social Security system, to Harry Ballentine, the chief actuary; and in this letter it indicates that there is no impact at all on the Social Security trust fund. So the gentleman from Michigan may want to read this letter, who made the allegation that this would diminish the Social Security trust fund. It will have no impact at all, according to the actuaries.

We must pass this legislation. This is legislation that will help the railroads, and also it will help the employees and current beneficiaries and retirees.

Mr. SMITH of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, may I ask of the chairman and yield for the answer, when it came out of the Committee on Ways and Means, my understanding was that there was a 4.3 cent tax on diesel fuel for railroads. Is that reduction still in the bill?

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Michigan. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, that is not included in this bill. This is a clean railroad retirement reform bill. There is no tax treatment in there.

Mr. SMITH of Michigan. Mr. Speaker, reclaiming my time, to help pay for it, it was my understanding when this bill went through the Committee on Ways and Means, they put a 4.3 cent tax on the diesel fuel used by railroads, and somehow in this clean bill it is no longer there.

□ 1630

If the gentleman will continue to yield, oh, no, that has nothing to do with it, I would say to my good friend. It was several years ago as part of the deficit reduction package of 1993 that that tax was placed.

Mr. SMITH of Michigan. Is the gentleman saying, Mr. Speaker, that the 4.3 cents was not in the bill in the Committee on Ways and Means?

Mr. SHUSTER. The original Committee on Ways and Means bill did have the 4.3 cent reduction in it.

Mr. SMITH of Michigan. Reclaiming my time, Mr. Speaker, since I am short on time, let me just emphasize again that a bill of this magnitude should not be going through on suspension. It should have a full debate, because the

consequences, if it is not \$33 billion if we do not include the interest, then at least look at the CBO scoring that says \$20 billion.

This legislation has been sort of promoted as a bipartisan agreement with overwhelming support by both rail management and rail labor. Why have they agreed so easily? I think the answer is because American taxpayers are footing the bill. Again, CBO has scored the cost at \$20 billion.

Let me go through some of the facts. The Railroad Retirement System already has an unfunded liability of \$39.7 billion. It is a pension fund in trouble. So with three retirees in the railroad industry, with three retirees for every worker, why would we go to the extent of not only reducing the taxes and contributions they pay in, but increasing the benefits they get out?

So we increase the benefits, we reduce the age for eligibility. Here again it seems to me that it only can be this kind of solution if we reach into the pockets of the American taxpayers. The industry would need to increase contributions from 21 percent of wages to 31 percent of wages for the next 30 years to cover this shortfall.

Accurate accounting shows that the industry has received at least \$85 billion more in benefits than it has paid in contributions. The rail industry has for many years, of course, received special government subsidies that are available to no other industry. Just to mention one, under current law, income taxes paid by rail retirees do not go to the U.S. Treasury. They are instead transferred to the Railroad Retirement System, costing taxpayers over \$5 billion. The government also currently pays the cost of Amtrak's social security contributions, costing taxpayers another \$150 million a year.

This kind of cost, this kind of implication, of precedent, should be going through this Chamber with a full debate and not through a special suspension calendar.

Let me just briefly comment in my closing minutes on specifically what the bill does. It repeals a 26.5 cent per hour employee contribution to supplemental annuities, it reduces employer contributions from the current 16.1 percent to 14.2 percent, and it expands benefits for widows and widowers. It reduces the vesting requirement from 10 to 5 years. It repeals the current gap on payment of earned benefits. Six, it reduces the minimum retirement age to 60 years old.

Mr. Speaker, I reserve the balance of my time.

Mr. SHUSTER. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from Wisconsin (Mr. PETRI), chairman of the Subcommittee on Ground Transportation.

Mr. PETRI. Mr. Speaker, I thank the chairman for yielding time to me.

Mr. Speaker, I rise in support of the bill before us, the Railroad Retirement and Survivors' Improvement Act of 2000. H.R. 4844 will increase benefits for

widows and widowers of railroad retirees, and lower the vesting period from 10 years to 5 years, which is more consistent with private industry plans. It will also restore the retirement age from age 62 with 30 years of service to age 60 with 30 years of service.

Mr. Speaker, this is an excellent bill with advantages for both labor and management as well as for the general taxpayer. I urge my colleagues to support H.R. 4844.

Mr. OBERSTAR. Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Michigan. Mr. Speaker, I reserve the balance of my time.

Mr. SHUSTER. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from New York (Mr. QUINN).

Mr. QUINN. Mr. Speaker, I want to take a minute to thank everybody who has been involved in this process: the gentleman from Pennsylvania (Mr. SHUSTER), the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Florida (Mr. SHAW), the gentleman from California (Mr. MATSUI), the gentleman from Wisconsin (Mr. PETRI), and many others not on the floor today, the gentleman from Illinois (Speaker HASTERT) being one.

I can remember back in July where many of us went to the Speaker to talk to him about the importance of this bill to try to get it on the calendar. While he is not on the floor discussing it today, I think he and others on both sides of the aisle played a huge role in getting us here today.

I did not rise to talk about the specifics of today's bill because whenever we talk about pension and pension plans we can get a little bit complicated. We have people on both sides of the aisle who have worked this issue. We have people like the gentleman from Florida (Mr. SHAW), who has worked with rail labor and others who understood the problems.

I rose today, this afternoon, just to talk a little bit about the fact that we have been at it now for almost 2 years. Mr. Chairman, talking about discussion, talking about compromise, talking about meeting each other halfway. We are about doing something that is good for a lot of people this afternoon, retirees, and some who will retire. Coming from a railroad family, my father put on 35 years on the South Buffalo Railroad back home.

There is a section here that talks about widows and widowers. This has been a patently and basically unfair rule for too many years, that just because a railroad worker dies, that pension for the widow or widower remains sometimes cut by two-thirds. In the meantime, that same family has the same mortgage bills and heating bills and taxes and prescriptions and all those other bills that come and go day-to-day, week-to-week, year-to-year.

I think more than anything else, Mr. Speaker, we are here to talk about righting some wrongs, doing the fair thing for railroad workers all across

the country. I enthusiastically support H.R. 4844, and ask all of our colleagues on both sides of the aisle to do the same thing this afternoon.

Mr. OBERSTAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, not to oversimplify this issue, but to put it in very plain terms, there is more money being collected in taxes from workers in railroads than is necessary to pay out benefits under the current system.

The agreement reached does equity for both the railroads and the workers. The railroads, on the one hand, get money they can invest in improving their infrastructure, rolling stock, and trackage, and the workers—specifically retirees, widows and widowers, get benefits that they would not otherwise receive. That is what this is all about.

I want to point out that there was not 100 percent agreement between rail management and rail labor. Just after the agreement was reached, representatives of those labor unions, the majority, that supported the agreement and those labor unions, the minority, that opposed it, asked for my support, each on their terms, to support their viewpoint.

I felt it would be in everyone's best interests if rail labor were united in support of the agreement. So in attempting to reach a consensus with all of rail labor, the gentleman from West Virginia (Mr. RAHALL) and I made a proposal to rail labor which we then made to rail management to improve the benefit package.

We recognized we could not radically alter the agreement, but hoped to make the proposal more palatable to those who opposed it. Specifically, we suggested that the railroad companies allow workers to retire at age 58 with actuarially reduced benefits, but with full medical coverage until the employees become eligible for Medicare at age 65.

Today, rail employees can retire at age 60 with reduced benefits. They are not eligible for medical coverage until age 61. We thought we had made a reasonable, modest proposal. It was considered deliberately by railroad management, but unfortunately, we could not get the parties on both sides to agree to coalesce around this change.

In the end, having made that effort, I concluded that this was the best package that could be negotiated under the circumstances.

Most of rail labor is in support of this legislative package. It is good for both sides. It is a great improvement for retirees. The legislation ought to go forward. We ought to approve it in this body today. I, of course, give it my full and strong support.

Mr. Speaker, enacting H.R. 4844 will bring substantial benefits to the more than one quarter million men and women who work on America's railroads and the 700,000 retirees and survivors of retired railroad workers. At the same time the bill allows for a significant reduction in the payroll taxes paid by U.S. railroads. This is clearly a win-win proposition for

railroads, railroad labor, retired railroad workers and their survivors.

This bill is the product of a historic agreement reached by railroad labor and management following two years of often-difficult negotiations. The benefit improvements that the two sides agreed upon are made possible by changing the current law that limits the investment of Railroad Retirement Trust Fund assets to government securities. Railroad retirement is a two-tiered system: Tier I largely mimics the Social Security system in terms of taxes and benefits, while Tier II provides additional benefits and might be considered the equivalent of a defined benefit employee pension plan. Tier II benefits are financed by a combination of a 4.9 percent payroll tax on employees and a 16.1 percent payroll tax on employers.

Analysis provided by the Railroad Retirement Board's actuary demonstrates that the proposed changes should not affect the solvency of the Railroad Retirement system. The Tier I portion of the program will continue to be invested only in government securities as has long been the case and is appropriate for the social safety net. Only Tier II funds will be eligible for investment in assets other than government securities. The expected improvement in income to the trust fund is based on a fairly conservative projection of the rates of return on such a diversified portfolio—about two percentage points above the return on government securities. In addition, if the investments fail to perform as well as expected, workers' pensions are further protected as the legislation requires that the railroads absorb any future tax increases that might be necessary to keep the system solvent.

This legislation provides the first major benefit improvements to retired railroad workers and their dependents in more than 25 years. The primary improvements are:

(1) Lower retirement age. The age at which employees can retire with full benefits is reduced from 62 years to 60 years with 30 years of service. Today, employees who retire at age 60 or 61 have their annuity permanently reduced by taking 20 percent or more off the Tier I benefit. The annuities of their spouses are also reduced. Lowering the age to 60 actually restores railroad workers to the retirement age that existed before adjustments made back in 1983 to shore up the program's solvency.

(2) Fewer years for vesting. The number of years required for vesting in the Railroad Retirement System is reduced from ten to five years. This change puts the Railroad Retirement System in line with the pension plans of most other industries.

(3) Expanded benefits for widows and widowers. Under current Social Security Law, a widow or widower of a deceased worker receives the full amount of the retirement benefit previously paid to the retiree. In contrast, a widow or widower of a deceased railroad worker is eligible for 100 percent of the Tier I benefit, but only 50 percent of the late retiree's Tier II benefit. The surviving spouse often experiences a dramatic reduction in income at a time when life has already been made more difficult. Under the proposed change, the surviving spouse's annuity would be guaranteed to be no less than the amount the retiree was receiving in the month before death.

(4) Cap on benefits eliminated. Currently, there is a statutory limit on the initial benefit

amount that can be paid to an employee. This limit is computed under a complex formula based on the employee's highest two years of Railroad Retirement and Social Security earnings during the 10-year period immediately before retirement.

This limitation has proved to be unintentionally harsh in two situations. The first involves employees whose lifetime pattern of earnings deteriorated in their last 10 years before retirement due, for example, to job loss or part-time employment.

The second situation involves employees with long railroad careers at modest compensation levels. The Tier II benefit amount is computed under a formula that takes into consideration not only an employee's compensation level, but also length of service. Thus, employees with modest earnings can build up their Tier II benefits through many years of rail service. Because the cap takes into consideration only their modest pre-retirement earnings and completely ignores their long years of service, these employees may have their benefit reduced upon retirement.

Under this legislation, the cap would be repealed for both new and preciously awarded annuities.

(5) Automatic future improvements should the retirement plan become overfunded. Should the plan's assets become greater than an amount deemed necessary by the Railroad Retirement Board to pay benefits, employees and the railroads will be able to use the surplus on a 50-50 basis to improve benefits and lower taxes. H.R. 4844 also reduces significantly the payroll taxes paid by the railroads. This bill allows the railroads' payroll tax for Tier II benefits to decline from the current level of 16.1 percent to 13.1 percent. By the third year following passage of this bill, the railroads stand to gain nearly \$400 million annually from lower payroll taxes. All of these savings go directly to the railroads' bottom lines and can be used to make investments needed in the railroad infrastructure and to improve the wages and working conditions of railway workers. Higher net returns also should make railroad stocks look better to potential investors and improve the railroads' ability to engage in equity financing. Clearly, this is a win-win proposition for both the railroads and its workers.

While I believe this bill provides significant benefits to railroad workers and retirees, I recognize that railroad labor is not united in support for this bill. Two unions, the Brotherhood of Locomotive Engineers and the Brotherhood of Maintenance of Way Employees, do not support this legislation. They believe that the distribution of benefits should be weighted more favorably toward railroad workers and retirees as the monies involved are, after all, part of their overall compensation package. They were especially interested in securing a further reduction in the retirement age as the agreement only returned them to the retirement age that prevailed in 1983.

Just after the agreement was reached, representatives of both those labor unions that supported the agreement and those labor unions that opposed it solicited my support. I felt that it would be in everyone's best interest if railroad labor were united in support of the bill. To work toward achieving consensus within all of rail labor, the Gentleman from West Virginia (Mr. RAHALL) and I made a proposal to railroad management to improve somewhat

the benefit package. We recognized that we could not radically alter the agreement, but we sought to make the proposal more palatable to those who opposed it. Specifically, we suggested that the railroads allow workers to retire at age 58 with actuarially reduced benefits, but with full medical coverage until the employees become eligible for Medicare at age 65. Today, employees can retire at age 60 with reduced benefits; they aren't eligible for medical coverage until age 61. Mr. RAHALL and I believed this was a modest proposal, but unfortunately we were unsuccessful in getting the parties to coalesce around this change.

Although, I would prefer to see unified labor support for this legislation, I believe that this bill is the best that can be obtained under current conditions and therefore I have given it my full support.

At the request of the Ways and Means Committee, we have made some modifications of the mechanics of how these reforms would be implemented.

Those relatively minor modifications deal with how the monies would be administered, with the composition of the group responsible for the investments, and with the way the benefits will be disbursed, but we have not, in any way, altered the fundamental nature of the program. Railroad retirement benefits will continue to be guaranteed, in the final analysis, by the United States Government. This continues to be a federal program and the Congress continues to have authority over it and responsibility for it. The proposed changes do not in any way represent a step toward privatization.

This is a good bill. It is good for workers; it is good for retirees and their survivors; it is good for the railroads, and it is good for the country. I urge all Members to vote for it.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Michigan. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, again I thank both the chairman and the ranking member for the time to protest some of my concerns.

Again, nobody else in the Nation, or very few, can have a pension system that is going broke and then reduce the contribution, reduce the taxes that are going in by the employee and the employer, and increase benefits, increase benefits for widows, widowers, and also reduce the age to 60 that these individual workers are eligible for that retirement.

Railroad workers work very hard, they put in a lot of time and a lot of hours, but we cannot afford this \$33 billion cost bill.

Mr. SHUSTER. Mr. Speaker, I am pleased to yield 1 minute to the distinguished gentleman from Omaha, Nebraska (Mr. TERRY).

Mr. TERRY. Mr. Speaker, I rise in support of the 8,000 retirees in my district and the nearly equal number of future retirees from the railroad industry.

One point that I want to make before I talk more is that this body just a few weeks ago rolled back or voted to roll back the tax on social security. The income tax on social security does not go

into the Treasury, either. That is how we treat retirement plans. What this is about is fundamental fairness.

Two weeks ago, Mr. Chairman, in my hometown a gentleman with an oxygen tank, very frail, very young, 55 to 60, comes up to me. He is himself a railroad retiree, and says, here is my wife. We need to pass or the Congress needs to pass railroad retirement reform so she will have her benefits when I am no longer here to support her.

That is what this legislation is about in protecting those widows, those families. There are plenty of letters from widows in my area. Mrs. Lohouse, help is on the way. You should get your full benefits.

(Mr. OBERSTAR asked and was given permission to revise and extend his remarks.)

Mr. OBERSTAR. Mr. Chairman, I yield back the balance of my time.

Mr. SHUSTER. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from Pennsylvania (Mr. SHUSTER) has 2 minutes remaining.

Mr. SHUSTER. Mr. Speaker, I rise in strong support for this bipartisan bill which has been carefully scrubbed by both the Committee on Transportation and Infrastructure and the Committee on Ways and Means on a totally bipartisan basis.

Let me emphasize, contrary to some of the assertions or one of the assertions that we have heard here today, the Railroad Retirement System is not only solvent, the Railroad Retirement Board actuary has certified that it is overfunded. Indeed, that is the reason why or one of the reasons why we are able to move with this legislation today.

Indeed, this legislation also requires a 4-year minimum reserve in the trust fund. The money that is paid out is money which is paid into the system by the railroad workers and by the railroad employers, the railroad companies.

This legislation corrects a grievous wrong, particularly as it applies to the widows of this system. I want to say, Mr. Speaker, that it was over 2 years ago when the gentleman from New York (Mr. QUINN) initiated the first hearing on this issue. Thanks to his diligence and then the follow-up of so many on both sides of the aisle, we find ourselves here today.

I also want to emphasize that at filing time of this report we had 306 cosponsors, and we have had many, many more calls since that time to try to cosponsor, but of course once the report is filed, one cannot.

We have a large majority of Republicans, a large majority of Democrats. This is a totally bipartisan bill. It is good for railroad families, it is good for America, and I urge strong support of this legislation.

Ms. BROWN of Florida. Mr. Speaker, H.R. 4844 is long overdue. Railroad labor, widows and widowers will gain enhanced benefits as a result of this self-financing legislation. I am

particularly thrilled that the 4.3 cents/gallon tax repeal is not a part of this legislation.

This provision would have essentially eroded support for the measure and would have thrown the numbers into disarray. H.R. 4844 allows railroad retirement assets to be invested in private securities, reduces the payroll tax on railroads, and reduces vesting from ten to five years for both Tier I and Tier II benefits.

The bill also increases survivor benefits to widows and widowers of rail workers and Mr. Speaker, this is what legislation on behalf of the people is about. I urge strong support for H.R. 4844.

Mr. WELLER. Mr. Speaker, I rise today to enthusiastically support H.R. 4844, the Railroad Retirement and Survivors Improvement Act of 2000.

The Railroad Retirement and Survivors Improvement Act of 2000 is historic legislation that will improve the lives of railroad workers and their spouses. I am proud to be a cosponsor of this important bipartisan bill and am pleased to cast my vote in favor of this legislation today. This bill will guarantee a better standard of retirement for the nearly 3,500 retirees in my district and for all future retirees and their families.

Under H.R. 4844, the quality of life for widows and widowers are significantly improved. Under current law, spouses are limited to one-half of the deceased employee's Tier 2 benefits. However, under this legislation, this bill increases Tier 2 benefits for widows and widowers to 100 percent of the deceased employee's benefits on the date of death. Thus, widowers and widows will continue to receive the same benefits as their spouse received prior to death. Widows should not have to face a loss of income in addition to the death of a spouse. This bill ensures that is no longer a reality—widows will receive full benefits under this legislation.

Additionally, H.R. 4844 reduces the years of covered service to be vested in the railroad retirement system from the present 10 years to 5 years. Ten years is too long to wait to be vested in the railroad retirement system, and this legislation corrects this problem. Further, the retirement age is reduced from 62 to 60. By reducing this age, workers are given the opportunity to retire earlier without a corresponding loss of benefits.

H.R. 4844 also fixes the cap on the "maximum benefit." Present law limits the total amount of monthly railroad retirement benefits payable to an employee and an employee's spouse at the time the employee's annuity payout begins. The Railroad Retirement and Survivors' Improvement Act of 2000 removes this cap so that there is not a maximum benefit limit.

Mr. Speaker, this is good legislation that will give working families more retirement security. I commend Chairmen SHAW and ARCHER for their leadership on this bill and ask for all of my colleagues to support this important legislation.

Mr. SHUSTER. Mr. Speaker, I yield back the balance of my time.

□ 1645

The SPEAKER pro tempore (Mr. WALDEN of Oregon). The question is on the motion offered by the gentleman from Pennsylvania (Mr. SHUSTER) that the House suspend the rules and pass the bill, H.R. 4844, as amended.

The question was taken.

Mr. SHUSTER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 391, nays 25, not voting 18, as follows:

[Roll No. 459]

YEAS—391

Abercrombie	Deutsch	Jackson (IL)
Aderholt	Diaz-Balart	Jackson-Lee
Allen	Dickey	(TX)
Andrews	Dicks	Jenkins
Armey	Dingell	John
Baca	Dixon	Johnson (CT)
Bachus	Doggett	Johnson, E. B.
Baird	Dooley	Jones (NC)
Baker	Doolittle	Jones (OH)
Baldacci	Doyle	Kanjorski
Baldwin	Dreier	Kaptur
Ballenger	Duncan	Kelly
Barcia	Dunn	Kennedy
Barr	Edwards	Kildee
Barrett (NE)	Ehlers	Kilpatrick
Barrett (WI)	Ehrlich	Kind (WI)
Bartlett	Emerson	King (NY)
Barton	Engel	Kingston
Bass	English	Klecza
Bateman	Eshoo	Knollenberg
Becerra	Etheridge	Kolbe
Bentsen	Evans	Kucinich
Bereuter	Everett	Kuykendall
Berkley	Ewing	LaFalce
Berman	Farr	LaHood
Berry	Fattah	Lampson
Biggert	Filner	Lantos
Bilbray	Fletcher	Larson
Bilirakis	Foley	Latham
Bishop	Forbes	LaTourette
Blagojevich	Ford	Leach
Bliley	Fossella	Lee
Blumenauer	Fowler	Levin
Blunt	Frank (MA)	Lewis (CA)
Boehlert	Franks (NJ)	Lewis (GA)
Boehner	Frelinghuysen	Lewis (KY)
Bonilla	Frost	Linder
Bonior	Galleghy	Lipinski
Bono	Ganske	LoBiondo
Borski	Gejdenson	Lofgren
Boswell	Gekas	Lowe
Boucher	Gephardt	Lucas (KY)
Boyd	Gibbons	Lucas (OK)
Brady (PA)	Gilchrest	Luther
Brady (TX)	Gillmor	Maloney (CT)
Brown (FL)	Gilman	Maloney (NY)
Brown (OH)	Gonzalez	Manzullo
Bryant	Goode	Markey
Burr	Goodlatte	Martinez
Burton	Goodling	Mascara
Buyer	Gordon	Matsui
Calvert	Goss	McCarthy (MO)
Camp	Graham	McCarthy (NY)
Canady	Granger	McCreery
Capps	Green (TX)	McGovern
Capuano	Green (WI)	McHugh
Cardin	Greenwood	McInnis
Carson	Gutierrez	McIntyre
Castle	Gutknecht	McKeon
Chambliss	Hall (OH)	McKinney
Chenoweth-Hage	Hall (TX)	McNulty
Clay	Hansen	Meehan
Clayton	Hastings (FL)	Meek (FL)
Clement	Hastings (WA)	Menendez
Clyburn	Hayes	Metcalf
Coble	Hayworth	Mica
Collins	Heger	Millender-
Combest	Hill (IN)	McDonald
Condit	Hill (MT)	Miller, Gary
Conyers	Hilleary	Miller, George
Cook	Hilliard	Minge
Cooksey	Hinchey	Mink
Costello	Hinojosa	Moakley
Coyne	Hobson	Mollohan
Cramer	Hoeffel	Moore
Crowley	Hoekstra	Moran (KS)
Cubin	Holt	Moran (VA)
Cummings	Hooley	Morella
Cunningham	Horn	Murtha
Danner	Houghton	Myrick
Davis (IL)	Hoyer	Nadler
Davis (VA)	Hulshof	Napolitano
Deal	Hutchinson	Neal
DeFazio	Hyde	Nethercutt
DeGette	Inslee	Ney
DeLauro	Isakson	Northup
DeMint	Istook	Norwood

Nussle	Rush	Tauscher
Oberstar	Ryan (WI)	Tauzin
Obey	Ryun (KS)	Taylor (NC)
Olver	Sabo	Terry
Ortiz	Salmon	Thomas
Ose	Sanchez	Thompson (CA)
Oxley	Sanders	Thompson (MS)
Packard	Sandlin	Thornberry
Pallone	Sawyer	Thune
Pascarell	Saxton	Thurman
Pastor	Scarborough	Tiahrt
Payne	Schakowsky	Tierney
Pease	Scott	Toomey
Pelosi	Serrano	Towns
Peterson (MN)	Sessions	Trafficant
Peterson (PA)	Shadegg	Turner
Petri	Shaw	Udall (CO)
Phelps	Sherman	Udall (NM)
Pickering	Sherwood	Upton
Pickett	Shimkus	Velazquez
Pitts	Shows	Visclosky
Pombo	Shuster	Walden
Pomeroy	Simpson	Walsh
Porter	Sisisky	Wamp
Portman	Skeen	Waters
Price (NC)	Skelton	Watkins
Pryce (OH)	Slaughter	Watt (NC)
Quinn	Smith (NJ)	Watts (OK)
Radanovich	Smith (TX)	Waxman
Rahall	Smith (WA)	Weiner
Ramstad	Snyder	Weldon (FL)
Rangel	Souder	Weldon (PA)
Regula	Spence	Weller
Reyes	Spratt	Wexler
Reynolds	Stabenow	Weygand
Riley	Stark	Whitfield
Rivers	Stearns	Wicker
Rodriguez	Strickland	Wilson
Roemer	Stump	Wise
Rogan	Stupak	Wolf
Rogers	Sweeney	Woolsey
Ros-Lehtinen	Talent	Wu
Rothman	Tancred	Wynn
Roybal-Allard	Tanner	Young (FL)

## NAYS—25

Archer	Hunter	Schaffer
Cannon	Johnson, Sam	Sensenbrenner
Chabot	Kasich	Shays
Coburn	Largent	Smith (MI)
Cox	Miller (FL)	Stenholm
Crane	Paul	Sununu
DeLay	Rohrabacher	Taylor (MS)
Hefley	Royce	
Hostettler	Sanford	

## NOT VOTING—18

Ackerman	Jefferson	Meeks (NY)
Callahan	Klink	Owens
Campbell	Lazio	Roukema
Davis (FL)	McCullum	Vento
Delahunt	McDermott	Vitter
Holden	McIntosh	Young (AK)

□ 1708

Mr. SHAYS changed his vote from "yea" to "nay."

Mr. EVERETT and Mr. SHADEGG changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. MCDERMOTT. Mr. Speaker, I was absent and unable to vote on roll-call No. 459.

I would have voted in favor of the motion to suspend the rules and pass H.R. 4844.

## GENERAL LEAVE

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4844.

The SPEAKER pro tempore (Mr. WALDEN of Oregon). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

## LEGISLATIVE PROGRAM

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Mr. Speaker, I have asked to address the House for 1 minute to inquire about next week's schedule.

Mr. BLUNT. Mr. Speaker, will the gentleman yield?

Mr. DOGGETT. I yield to the gentleman from Missouri.

Mr. BLUNT. Mr. Speaker, I thank the gentleman from Texas for yielding, and I am pleased to announce that the House has completed its legislative business for the week. There will be no vote in the House tomorrow. The House will next meet on Tuesday, September 12, at 12:30 p.m. for morning hour and 2 p.m. for legislative business, following a pro forma session meeting at noon on Monday.

We will consider a number of bills under suspension of the rules, a list of which will be distributed to the Members' offices tomorrow. On Tuesday, no recorded votes are expected before 6 p.m.

On Wednesday and the balance of the week, the House will consider the following measures:

H.R. 4461, the District of Columbia Appropriations Act;

H.R. 4516, the Legislative Branch Appropriations Act Conference Report;

And a veto override on H.R. 4810, the Marriage Tax Penalty Relief Reconciliation Act.

The schedule will be released tomorrow, and the whip notice will reflect the entire schedule for next week.

I thank the gentleman for yielding.

Mr. DOGGETT. Reclaiming my time, Mr. Speaker, it looks like there are some rather familiar titles here, and I am wondering if the gentleman could indicate, other than the addition of the suspensions, whether we expect anything new next week or just what we did not reach this week.

Mr. BLUNT. If the gentleman will continue to yield, with the exception of suspensions, and barring some discussion with committees, which we will certainly have, as we need to get our work done this month, this looks like it is the schedule for next week.

Mr. DOGGETT. With this short list, would the gentleman anticipate we would have any late nights, any night next week?

Mr. BLUNT. I would not anticipate we would have any late nights next week. Of course, we do need to get our work done, and that would be subject to change, but at this point we would be looking at those votes after 6 p.m. on Tuesday and then no late evenings next week.

Mr. DOGGETT. Does the gentleman have any indication of which day we

would expect the vote on the marriage penalty veto override attempt?

Mr. BLUNT. I think we are anticipating that vote would be on Wednesday.

Mr. DOGGETT. And with reference to next Friday, does the gentleman anticipate whether we will be able to get a notice, as we have been today, that there would be no votes next Friday?

Mr. BLUNT. I think it is early to make that determination. We are still working with the White House and the committee chairmen on a number of different issues; of course working with the other body to get conference reports done as quickly as possible. I cannot say what we will be doing on Friday.

I think we ought to prepare to be here on Friday, but certainly we could very well find out this time next week we are in the same situation we are in right now as we wait for these conference reports to reach some ability to get to the floor and to the White House.

Mr. DOGGETT. I believe the previously published schedule had us out by at least 2 p.m. next Friday. The gentleman would not anticipate we would go beyond that?

Mr. BLUNT. I would anticipate we would be out no later than 2 p.m. on Friday.

Mr. DOGGETT. I thank the gentleman for his courtesy and wish him a good weekend.

Mr. BLUNT. I thank the gentleman for yielding.

ADJOURNMENT TO MONDAY,  
SEPTEMBER 11, 2000

Mr. BLUNT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday, September 11, 2000.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HOUR OF MEETING ON TUESDAY,  
SEPTEMBER 12, 2000

Mr. BLUNT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, September 11, 2000, it adjourn to meet at 12:30 p.m. on Tuesday, September 12, 2000, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR  
WEDNESDAY BUSINESS ON  
WEDNESDAY NEXT

Mr. BLUNT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HOUR OF MEETING ON THURSDAY,  
SEPTEMBER 14, 2000

Mr. BLUNT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Wednesday, September 13, 2000, it adjourn to meet at 9 a.m. on Thursday, September 14, 2000.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE A RECESS ON THURSDAY, SEPTEMBER 14, 2000, FOR THE PURPOSE OF RECEIVING IN JOINT MEETING ATAL BIHARI VAJPAYEE, PRIME MINISTER OF THE REPUBLIC OF INDIA

Mr. BLUNT. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Thursday, September 14, 2000, for the Speaker to declare a recess, subject to the call of the Chair, for the purpose of receiving in joint meeting His Excellency Atal Bihari Vajpayee, prime minister of the Republic of India.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

□ 1715

#### SPECIAL ORDERS

The SPEAKER pro tempore (Mr. WALDEN of Oregon). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

#### EXCHANGE OF SPECIAL ORDER TIME

Mr. BENTSEN. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Washington (Mr. INSLEE).

The SPEAKER pro tempore (Mr. WALDEN of Oregon). Is there objection to the request of the gentleman from Texas?

There was no objection.

#### HONORING BELLAIRE LITTLE LEAGUE ALL-STARS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BENTSEN) is recognized for 5 minutes.

Mr. BENTSEN. Mr. Speaker, I rise today to honor the Bellaire Texas Little League All-Stars for winning the United States Championship and advancing to the title game of the 54th Little League World Series. Along the way, the team inspired not only our community of the 25th District of Texas, but the entire Nation.

More than 7,000 teams from 104 countries vied to attain that coveted position, but it was the determination and

the heart of the boys from Bellaire that put the team above the rest.

Throughout their summer of success, the team displayed the qualities of good sportsmanship and perseverance that made their parents, the city, and my constituents in the 25th District of Texas extremely proud. Their journey touched us all.

When the group of 12-year-olds came together in late June as the best players in the Little League, something magical happened. They won district for the first time and the team took sectionals in Galveston. The Bellaire Little League then won the State tournament in Waco and captured the United States South Region championship in St. Petersburg, Florida.

Bellaire then went undefeated at the regionals and earned a spot in the Little League World Series. There were many breathtaking plays along the way, a game-winning homer for Alex Atherton against Lamar and a no-hitter from Ross Haggard to beat Barboursville, West Virginia. They played on national television a total of nine times as they advanced, and all of Houston found themselves glued to the TV set.

The ride lasted until the 3-2 loss to Venezuela in the championship game, a defeat that was hard fought and handled with the honor that hometown fans learned to expect from the youthful team.

Bellaire is well known for its baseball, but always on the high school level, not Little League. The Bellaire Cardinals have won seven State high school championships and a national title in 1999.

Before the young Bellaire team burst onto the scene this year, the Little League team, from among the smallest Little League organizations in the State, had never even won the district before. I commend the coaches who were instrumental in bringing the team together more than 2 years ago when many of the players were 9-year-olds: Coaches Mike Purcell, Cliff Atherton, Steve Malone, and Larry Johnson.

It was Manager Terry McConn who took the tournament team to the championship. Manager McConn has made lasting contributions to these kids by guiding and inspiring such winning performances in his players. All of the adults and parents who sacrificed their free time to helping, coaching, and cheering these kids along should be commended. McConn has had the added benefit and immense gain in managing his son who caught every game.

Not only did the boys from Bellaire capture a spot in the World Series, they also captured our hearts. The Bellaire team's slogans of "We Believe" and "This is our Year" became mottos that will reverberate long after this season ended. The mottos and the qualities of teamwork, cooperation, fairness, athleticism and focus that the boys learned will serve them well for the rest of their lives.

These boys, Alex Atherton, Sean Farrell, Zach Jamail, Mitchell Malone, Terrence McConn, Ben Silberman, Nick Wills, Drew Zizinia, Ross Haggard, Hunter Johnson, Michael Johnson and Justin Shufelt will take the summer of 2000 with them forever.

Borrowing a line from "Field of Dreams," Kevin Costner, who threw out the ceremonial first pitch to Terrence McConn and was honored at the 54th annual Little League Baseball World Series, said the memories of Little League are "so thick that I have to brush them away from my face."

Years from now, I predict these young gentlemen from Bellaire will feel the same way.

Mr. Speaker, I congratulate the Bellaire Little League All-Stars and I thank them for reminding us what good sportsmanship and grace under pressure is all about. I join the other fans of the 25th District of Texas in saluting our young heroes.

#### DOES WAGE INFLATION CAUSE PRICE INFLATION?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. METCALF) is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, I am going to speak on does wage inflation cause price inflation? That is a question that few have asked, even at the Federal Reserve Systems' Board of Governors.

Though wage inflation is presently utilized to aid in determining whether the Fed raises the interest rates or lowers rates or leaves rates the way they are, most have never heard of wage inflation until I spoke to this issue in a previous speech. Most still think it means that the wages of workers in the broadest sense are trending upward. Most think it just means workers are getting paid a little more, proof then of our booming economy.

Let me quote one recent headline from the Wall Street Journal: "Unions Seek Big Pay Gains, Sparking Inflation Worries."

In 1994, Layard and Nickell in their book "The Unemployment Crisis" stated this:

When buoyant demand reduces unemployment (at least relative to recent experience levels) inflationary pressure develops. Firms start bidding against each other for labor, and workers feel more confident in pressing wage claims. If the inflationary pressure is too great, inflation starts spiralling upwards: higher wages lead to higher price rises, leading to still higher wage rises, and so on. This is the wage price spiral.

This rather superficial explanation has been taken literally by many that should know better. But that would pose no problem should the idea itself remain in the cloistered walls of academia. But it did not.

When the Federal Reserve Board decided, along with Members of Congress and the White House, that price stability shall be of primary concern determining Fed policy, along with its

clear mandate to keep real inflation under control using its mandated discretionary use of interest rates, this idea took hold.

We do know that Greenspan's Fed has looked at wage inflation as an indicator. Greenspan does not often call it wage inflation, but rather several different terms are offered up to explain the same thing, like this response to a Senate Banking member's question whether the Fed would raise the unemployment rate to something like five percent from its current level of four percent to achieve price stability.

Quoted in the Times:

I think the evidence indicating that we need to raise the unemployment rate to stabilize prices is unpersuasive. However, he was not sure and the issue was the subject of considerable debate among economists and Fed officials.

And it should also be of considerable debate among the Members of Congress. Greenspan's comments were made during late July of this year. Less than one week later, during the House Committee on Banking hearings I asked Greenspan if he thought it was proper to use worker's wages as an indicator at all. I asked him if he believed wage inflation was the cause of price inflation. Here, in part, are his contradictory remarks:

Wage inflation by itself does not. The issue basically is the question of whether wage inflation, as you put it, or, more appropriately, increases in aggregate compensation per hour are moving—are increasing at a pace sufficiently in excess of the growth and productivity so that unit labor costs effectively accelerate and generally drive up the price level.

Yes, precisely, that was what I said, does wage inflation, as I put it, because that is what Fed officials and economists call it, cause price inflation?

Greenspan then went on to add this:

The issue is, what you do not want to encourage are nominal increases in wages which do not match increases in productivity. Because history always tells you that that is a recipe for inflation and for economic recession.

Greenspan then, as is his custom, veered off course into a long discourse on topics nobody asked of him, closing with this final remark: "Nor have we, as you indicated, chosen wages as some indicator of monetary policy. That is not the case."

This is why many economists call this form of discourse Greenspanish, because he stated that wages, or, as he puts it, more appropriately, increases in aggregate compensation per hour, are looked at as an indicator that union labor costs effectively accelerate and generally drive up the price level.

So wage inflation does drive up the price level, according to Greenspan's Fed.

Does wage inflation, whatever it is, cause price inflation? That is the subject we need to go into.

#### TOPICS OF NATIONAL CONCERN

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, I rise today to speak on a couple of unrelated topics of national concern, related in some ways, unrelated in others, but nonetheless very, very important topics.

The first of these pertains to the millions of acres of which have burned and are burning at the present time in our western States. This is something that the Subcommittee on Forests and Forest Health of the Committee on Resources, which is one of the subcommittees on which I serve, heard about in one of the first hearings held in this Congress early in 1999, early last year.

The hearing that we held was based on a 1998 GAO report that I do understand and have read that we were having warnings as early as 1993 about the potential effects of this problem. But in this hearing in 1999, we were told that there were some 40 million acres in our western States that were in immediate danger of catastrophic forest fire.

We now have estimates, based on these latest fires, that over \$10 billion worth of economic damage has been done thus far and that the costs to the Federal Government are going to exceed at least \$1 billion and that if these fires keep burning and expanding, the costs may become even greater.

The sad thing is that this is a problem that we not only knew about but that we could have easily done something about.

In the mid-1980s, I am told that the Congress passed what was then held as a great environmental law that we would not cut more than 80 percent of the new growth in our national forests; and that was praised as a great environmental law at that time. And yet, today we are cutting less than one-seventh of the new growth in our national forests.

The Subcommittee on Forests and Forest Health staff has told me that we have over 23 billion board feet of new growth in our national forests each and every year, yet we are cutting less than 3 billion board feet. Less than one-seventh of the new growth in our national forests is what we are cutting today. And they tell me that there is over twice that amount, or some 6 billion board feet, of dead and dying timber each year. And yet environmental extremists will not let us go in and remove even the dead and dying trees, and that this causes fuel buildup on the floor of these forests, which has been the main cause of all of these catastrophic forest fires.

Yet, if I went to any school in Knoxville, Tennessee, or in my district and told the school children in that district that I was opposed to cutting any tree in the national forests, they would probably cheer because there has been such a brainwashing effort about things of this nature in schools in this country for the last several years.

Forest experts tell us repeatedly that we have to cut some trees to have healthy forests. Yet there are some people that do not want us to cut a single tree in our national forests. But people who do support that or do not want any logging done whatsoever should stop and think of all the products that are made with wood. Everything from books to newspapers, furniture, houses, toilet paper, all kinds of things, everything that we use in our daily lives or many, many things go back to wood and wood products. And yet there are some of these wealthy extremists who, for some reason, do not want us to cut even a single tree.

Yet, this is a very shortsighted and very harmful position to take. And it is especially harmful to the poor and the working people in the middle-income field because it destroys jobs and drives up prices for everything. So that is a problem that we really need to do something about.

The second thing I want to mention is something that I mentioned in the 1-minute this morning, but I would like to expand on just a little bit.

The top headline in the Washington Post says today that oil prices have hit a 10-year high. This is something else that we could easily do something about, and yet we have these environmental extremists who not only do they not want us to cut any trees, they do not want us to drill for any oil.

□ 1730

The U.S. Geologic Survey tells us that in one tiny part of the Arctic National Wildlife Refuge, which is 19.8 million acres, 19.8 million acres, the Arctic National Wildlife Refuge is that big, the Great Smoky Mountains National Park which is the most heavily visited national park, a large portion of which is in my district, is less than 600,000 acres, so we are talking about an area 33 times the size of the Great Smoky Mountains National Park, in only two or 3,000 acres on the coastal plain of Alaska, the U.S. Geologic Survey tells us there is some 16 billion barrels of oil. This is equivalent to 30 years of Saudi oil. There are billions more barrels offshore from this country. Yet the administration, the President signed an executive order putting 80 percent of the Outer Continental Shelf off-limits for oil production. He also vetoed legislation which would have allowed us to produce this oil in Alaska.

So if people like high gas prices, they should write the White House and these environmental groups and tell them thank you for the high gas prices that we have in this country today.

#### PRESCRIPTION DRUG COVERAGE

The SPEAKER pro tempore (Mr. LAHOOD). Under a previous order of the House, the gentlewoman from Michigan (Ms. STABENOW) is recognized for 5 minutes.

Ms. STABENOW. Mr. Speaker, I rise this evening as I have done on many,

many occasions to talk about the most important quality-of-life issue for seniors in my State and around the country, and that is the issue of prescription drugs and the high costs that they are having to pay. Not only do we know that seniors who have no insurance are paying twice as much as others when they go to the drug store and get their medications, but we have a health care system that has been in place now for 35 years, a very successful health care system called Medicare that simply needs to be modernized to cover prescription drugs so that our seniors can continue to get the promise of health care that we made to them 35 years ago.

I have been asking people in my district and around the State of Michigan to write letters that I will share on the floor of the House of Representatives. Once again this evening, I wish to do that, to read a letter from Annabelle Lewis from Hillsdale, Michigan, who writes about her own struggles to pay for her prescriptions.

She says:

I stopped taking the Provachol 20 milligrams for high cholesterol in January 1999, having previously cut pills in half. In December 1999, a year later, my cholesterol was 339. Having received some free samples, my cholesterol came down to 198. Presently this medication is \$122.99 per month, not including \$30.58 for Estrogen replacement. Medicare part B deductible this month has reduced my Social Security to \$505. This covers house expenses with little left over. Having this medication available certainly would be less expensive than a nursing home should I have a stroke. I am able to continue working as a nurse but I find it very difficult due to my depressed state. I hope this information is useful and you will be blessed in your efforts.

Sincerely, thank you, Annabelle Lewis.

Under the plan that I am supporting for Medicare coverage, a voluntary, optional, comprehensive Medicare benefit we would add to Medicare, Annabelle Lewis would be saving \$438, important dollars, the difference between eating breakfast, lunch or dinner, paying the utility bill, having the quality of life that I am sure as a nurse she has worked hard all these years to acquire and now finds herself having to struggle with issues of cholesterol, whether or not she will be healthy or have a stroke.

Seniors in our country deserve better. I know right now with all the confusion and all the numbers and all the private plans and proposals that are out there, the real bottom line that all of this is about is the fact that the prescription drug companies do not want the 39 million seniors of this country to be organized under Medicare and have the clout to get a reduced price, just like anybody else in any other insurance plan. Coming together they would have the combined clout to get a group discount of great magnitude. That is the real fight about Medicare. That is the fight we are in right now. Do we just simply modernize Medicare, or do we set up some complicated system with insurance companies that say

they do not want to cover prescription drugs? And they do not intend to cover prescription drugs, saying instead it is a hollow promise to go that direction.

I would urge, Mr. Speaker, that this House come together and recognize and celebrate Medicare, which is a 35-year success story for our country, 35 years of health care for seniors, for the disabled in this country, that only does not work now because we do not cover the new way that health care has provided today, which is simply prescription drugs. If we simply modernize Medicare, we will be able to continue to keep the promise.

It seems to me in these great economic times, we have two important challenges: we need to pay our bills and we need to keep our promises. The promise of Medicare is something that our seniors are counting on. We need to pass a comprehensive, voluntary prescription drug plan now.

#### CALLING ON CONGRESS TO STRIKE LANGUAGE IN TRADE BILL IN REGARD TO SUDAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. WOLF) is recognized for 5 minutes.

Mr. WOLF. Mr. Speaker, I am appalled and outraged that language was included in a recent bill that unanimously passed the House that will lift the embargo on gum arabic from Sudan.

Language was included in H.R. 4868, the Miscellaneous Trade and Corrections Act of 2000, which does not even mention the word or country of Sudan or gum arabic. Yet the passing of this language is a significant foreign policy issue for the U.S. The language was known about by very few Members of the House. This is very cryptic language that was used to describe a major foreign policy issue for the U.S., whether to lift significant sanctions against one of the worst regimes in the world.

The regime in Khartoum harbors gobs of terrorists. Abu Nidal, Hamas, and all of the terrorists who are doing so much to disrupt the Middle East have training camps in Sudan. Virtually every major terrorist group in the world passes through Khartoum, many under the tutelage and sponsorship of the government of Sudan. The government of Sudan was implicated and behind the assassination attempt on Egyptian President Hosni Mubarak. The government of Sudan condones slavery. Slavery exists in the 21st century. Yet the Congress voted to help a country that has slavery. Over 2 million people have died because of the war conducted and generated by the northern-led government.

The government of Sudan indiscriminately and repeatedly bombs and kills innocent civilians. They are killing hundreds of Catholics in Bishop Max Gassis' diocese in the Nuba Mountains. Just over the past few weeks, the Suda-

nese regime has shut down a U.N. humanitarian relief Operation Lifeline Sudan that feeds millions of people in southern Sudan, by repeatedly bombing and attacking and killing workers and planes.

Chinese troops are now supposedly present in Sudan, most likely guarding the precious oil fields that are now generating hard cash for the government.

Now, Mr. Speaker, every Member should know that we have just learned that Osama bin Laden, a terrorist who killed American citizens and bombed two of our embassies, one of the most wanted international terrorists, is reportedly a major investor in Gum Arabic Company Limited. This company is a Khartoum-based firm that has a virtual monopoly over this issue. The new book out called *The New Jackals* by Simon Reeve says the following:

Perhaps most crucially, bin Laden cannily invested in Gum Arabic Company Limited, a Khartoum-based firm which has a virtual monopoly over most of Sudan's exports of gum arabic, which in turn comprises about 80 percent of the world's supply. Gum arabic comes from the sap of the Sudanese acacia tree, a colorless, tasteless gum that makes newspaper ink stick to printing presses, keeps ingredients in drinks from settling at the bottom of a can, and forms a film around sweets and medical pills, keeping them fresh. It is a crucial ingredient in dozens of western products.

Then he goes on to say that bin Laden is believed to have secured an effective monopoly over the entire Sudanese output that this Congress has voted to help.

Even now the State Department in Washington and analysts at the CIA remain unsure whether bin Laden is still profiting from his investment. Thirty percent of the shares in Gum Arabic Company Limited are held by the Sudanese government, who tried to assassinate Mubarak who did not support American troops in Desert Storm and Desert Shield.

Then he goes on to say and end that it is still possible that every time someone buys an American soft drink, they are helping fill Osama bin Laden's coffers, his coffers whereby he can go out and kill American men and women and children. I have a description of Osama bin Laden as described by the Anti-Defamation League which I will include for the RECORD.

Gum arabic is an important Sudanese primary export. The administration has prohibited and put it on a list of sanctions, a comprehensive list of sanctions against the government of Sudan. The executive order was issued as a direct consequence of the Sudanese regime's sponsorship of international terrorism, its effort to destabilize neighboring countries, and its abysmal human rights record, including the denial of religious freedom.

Mr. Speaker, why would the Congress, why would the House pass a bill without telling anyone what was in the bill and every Member that voted for that bill did this and did not know to

lift the sanctions on Sudan also in the gum arabic area that is controlled perhaps by Osama bin Laden, who has bombed two American embassies, who we have watches out for with regard to the Canadian border over New Year's Eve and many other times? Why would the Congress do that? I am concerned that this money will help Osama bin Laden continue his terrorism.

I call on the Congress to strike this provision and do as the administration requested, whereby they can have the opportunity to deal with this issue.

Mr. Speaker, I submit the following material on Osama bin Laden.

#### OSAMA BIN LADEN

Osama Bin Laden is a 41 year-old "businessman" and son of one of Saudi Arabia's wealthiest families, who has been linked to a number of Islamic extremist groups and individuals with vehement anti-American and anti-Israel ideologies. He is a mysterious figure whose exact involvement with terrorists and terrorist incidents remains elusive. Yet his name has surrounded many of the world's most deadly terrorist operations and he is named by the United States State Department as having financial and operational connections with terrorism. Most recently Bin Laden formed the "International Islamic Front for Jihad against America and Israel."

In 1994 when Bin Laden returned to Saudi Arabia after having spent the two previous years in Khartoum, Sudan allegedly financing such militant Islamic causes as terrorist training camps, he was stripped of his citizenship by Saudi authorities who cited his opposition to the Saudi King and leadership (who enjoy warm relations with the U.S. and the western world). In 1996 it was reported that Bin Laden had relocated to Afghanistan, where he had financed and organized training camps for young Muslim extremists during the Afghan War of the 1980's.

Bin Laden has been thought to finance, inspire or directly organize various terrorist attacks. In one way or another his name has been linked to the killings of Western tourists by militant Islamic groups in Egypt, bombings in France by Islamic extremist Algerians, the maintenance of a safe-house in Pakistan for Ramzi Ahmed Yousef, the convicted mastermind of the 1993 World Trade Center bombing, and sheltering Sheikh Omar Abd Al-Rahman (the Blind Sheikh), who was also convicted in the World Trade Center bombing. He has also been linked to the 1992 bombings of a hotel in Yemen, which killed two Australians, but was supposedly targeted against American soldiers stationed there; the 1995 detonation of a car bomb in Riyadh, Saudi Arabia; the 1995 truck bomb in Dhahran, Saudi Arabia that killed 19 U.S. servicemen; and the 1995 assassination attempt on Egyptian President Hosni Mubarak.

Osama Bin Laden has made no secret of his anti-American, anti-Western and anti-Israel sentiments. In fact, he has been outspoken on these topics, issuing theological rulings calling for Muslims to attack Americans and threatening terrorism against related targets:

#### OSAMA BIN LADEN'S THREATS OF TERRORISM

August 1998—The "International Islamic Front for Jihad against America and Israel," a group sponsored by Bin Laden, issues a warning in the London-based newspaper al-Hayat that, "strikes will continue from everywhere" against the United States. (CNN Interactive, 8/20/98)

May 1998—Bin Laden announces the formation of an "International Islamic Front for Jihad against America and Israel," accord-

ing to The News, an Islamabad, Pakistan daily. (The International Policy Institute for Counter-Terrorism web site, www.ict.org.il)

March 1998—Bin Laden faxes messages to the U.S. Embassy in Islamabad and U.S. consulates in Peshawar, Lahore, and Karachi threatening to attack U.S. facilities and citizens. (The International Policy Institute for Counter-Terrorism web site, www.ict.org.il)

February 1998—Bin Laden uses a fatwa, religious decree, to call for the liberation of Muslim holy places in Saudi Arabia and Israel, as well as the death of Americans and their allies. The decree says, "These crimes and sins committed by the Americans are a clear declaration of war on God, his messenger and Muslims." (The Washington Post, 2/25/98)

May 1997—During an interview with CNN, Bin Laden reaffirms his call for a holy war against Americans. "We have focused our declaration of jihad on the U.S. soldiers inside Arabia . . . The U.S. government has committed acts that are extremely unjust, hideous and criminal through its support of the Israeli occupation of Palestine." (Reuters, 5/11/97)

February 1997—Bin Laden threatens holy war against the U.S. in an interview on the British documentary program, Dispatches. "This war will not only be between the people of the two sacred mosques and the Americans, but it will be between the Islamic world and the Americans and their allies because this war is a new crusade led by America against the Islamic nations." (Reuters, 2/20/97)

November 1996—Bin Laden issues an ultimatum to the U.S. and Western countries with troops stationed in Arab countries and declares a holy war against the "enemy." Had we wanted to carry out small operations after our threat statement, we would have been able to . . . We thought that the two bombings in Riyadh and Dhahran would be enough (sic.) a signal to the wise U.S. decision-makers to avoid the real confrontation with the Islamic nation, but it seems they did not understand it." (The Washington Times, 11/28/96)

November 1996—Bin Laden warns U.S. forces in Saudi Arabia to expect more "effective, qualitative" attacks and advises Western forces to speed their "departure" from the Middle East. (UPI, 11/27/96)

August 1996—Bin Laden says to the London-based al-Quds al-Arabi newspaper that the Saudis have a "legitimate right" to attack the 5,000 American military personnel stationed in Saudi Arabia. "The presence of the American crusader armed forces in the countries of the Islamic Gulf is the greatest danger and the biggest harm that threatens the world's largest oil reserves . . . The infidels must be thrown out of the Arabian Peninsula." (The Washington Post, 8/31/96)

August 1996—In an interview with The Independent, a London daily, Bin Laden calls the June 1995 truck bomb in Dhahran, Saudi Arabia "the beginning of war between Muslims and the United States." (New York Daily News, 8/11/96)

July 1996—Bin Laden warns that the terrorist who bombed American soldiers in Saudi Arabia will also attack British and French military personnel. He said "[the bomb in Dhahran] was the result of American behavior against Muslims, its support of Jews in Palestine, and the massacre of Muslims in Palestine and Lebanon." (New York Times, 7/11/96)

THE NEW JACKALS: RAMZI YOUSEF, OSAMA BIN LADEN AND THE FUTURE OF TERRORISM

A PORTRAYAL OF THE LIFE AND CRIMES OF RAMZI YOUSEF AHMED, THE TERRORIST WHO BOMBED THE NEW YORK WORLD TRADE CENTER IN 1998

(By Simon Reeve)

On 26 February 1993 a massive bomb devastated New York's World Trade Center, creating more hospital casualties than any event in American history since the Civil War. Ramzi Yousef, the young British-educated terrorist who masterminded the attack, had been seeking to topple the twin towers and cause tens of thousands of fatalities.

An intensive FBI investigation into the crime quickly developed into a man-hunt that took top FBI agents across the globe. But even with the FBI on his trail, Yousef continued with his campaign of terror. He bombed an aeroplane and an Iranian shrine.

He tried to kill Benazir Bhutto, the former Pakistani Prime Minister, and planned to assassinate the Pope, President Clinton and simultaneously destroy 11 airliners over the Pacific Ocean using tiny undetectable bombs. He also plotted an attack on the CIA headquarters with a plan loaded with chemical weapons. His pursuers dubbed Yousef "an evil genius".

During their huge investigation FBI agents discovered that Yousef was funded and sent on some of his attacks by Osama bin Laden, a mysterious Saudi millionaire. By the mid-1990's they realized bin Laden had become the most influential sponsor of terrorism in the world, and agents now conclude that since the early 1990s a small group of terrorists supported by bin Laden have dominated international terrorism.

These "Afghan Arabs" helped defeat the Soviets in Afghanistan before killing thousands of people in campaigns against governments in the West, Africa, the Middle East and Asia. When bin Laden's followers attacked American embassies in Kenya and Tanzania on 7 August 1998, killing 224 people, the U.S. finally launched cruise missile strikes in an attempt to destroy his secret organization.

Drawing on unpublished reports, interrogation files, interviews with senior FBI agents who hunted Yousef, intelligence sources and government figures including Benazir Bhutto, Simon Reeve gives a harrowing account of Yousef's bombings, offers a revealing insight into his background, and details the FBI's man-hunt to catch him.

Reeve explains how Yousef was one of bin Laden's first operatives and documents bin Laden's life and emergence as the leader of a potent terrorist organisation, giving fascinating insights into the man President Clinton has called "the pre-eminent organizer and financier of international terrorism in the world today".

Highly detailed and yet immensely readable, *The New Jackals* sheds new light on two of the world's most notorious terrorists. Reeve warns that Yousef and bin Laden are just the first of a new breed of terrorist, men with no restrictions on mass killing. He also offers evidence that bin Laden's organization may already have chemical and nuclear weapons and explains why the world could soon face attacks by terrorists with weapons of mass destruction.

Simon Reeve is a journalist and writer. He worked for The Sunday Times for five years before leaving to finish co-writing *The Millennium Bomb*, published in 1996. He has since contributed to books on corruption, organized crime and terrorism, and has written investigative feature articles for publications ranging from Time magazine to Esquire. He lives in London.

During research for *The New Jackals* Reeve has eaten ice cream sorbet with Benazir Bhutto, spent hours sitting in a stairwell on a London housing estate waiting for a former Lebanese smuggler, met American intelligence officials in a suburban burger bar and a Chinese restaurant, and been followed by agents from two different countries during meetings with a renegade spy.

Ramzi Yousef, Osama bin Laden and the "Afghan Arabs" have "dominated international terrorism as it relates to the United States and Europe [in the 1990s]. At the international level the only terrorist apparatus that the United States has had to deal with over the past several years has been Osama bin Laden and before that Ramzi Yousef." Oliver "Buck" Revell, former Deputy Director of the FBI.

"Ramzi Yousef is an evil genius." Senior Pakistani intelligence officer.

"Yousef was a pretty unique person. He liked the bar scene, he liked women, he liked moving around. Yousef was very good. He was well trained, very clever. He'll certainly be ranked right up there with the all-timers. Even to this day, he is a very shadowy figure that we really don't know that much about, even after all that's been done and all that's been investigated on him." Neil Herman, the FBI Supervisory Special Agent who led the New York Joint Terrorist Task Force during the hunt for Yousef.

"Yes, I am a terrorist, and I'm proud of it." Ramzi Yousef.

"In the past, we were fighting terrorists with an organisational structure and some attainable goal like land or the release of political prisoners. But Ramzi Yousef is the new breed, who are more difficult and hazardous. They want nothing less than the overthrow of the West, and since that's not going to happen, they just want to punish—the more casualties the better." Oliver "Buck" Revell, former Deputy Director of the FBI.

"He's a cold-blooded terrorist. He doesn't care who he kills. He may be the most dangerous man in the world." Superintendent Samuel Pagdilao of the Philippines National Defense Police describing Yousef.

"One man said to me 'remember there will only be those who believe and those who will die. There will only be the dead and the believers.'" Benazir Bhutto, former Prime Minister of Pakistan.

"If Russia can be destroyed, the United States can also be beheaded." Osama bin Laden.

"In my personal view [Osama bin Laden] is very much interested in obtaining weapons of mass destruction and he has the money to pay for them. It's certainly a credible threat." Peter Probst, Pentagon terrorism expert.

"We don't consider it a crime if we tried to have nuclear, chemical, biological weapons. If I have indeed acquired these weapons, then I thank God for enabling me to do so." Osama bin Laden.

"Terrorism is changing. We expect biological attacks in the future." Marvin Cetron, author of the Pentagon's secret Terror 2000 investigation.

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"THE NEW JACKALS" BY SIMON REEVE

AL QAEDA

Perhaps most crucially, bin Laden cannily invested in Gum Arabic Company Limited, a Khartoum-based firm which has a virtual monopoly over most of Sudan's exports of gum Arabic, which in turn comprises around 80 per cent of the world's supply. Gum Arabic comes from the sap of the Sudanese acacia tree. A colourless, tasteless gum, it makes newspaper ink stick to printing presses,

keeps ingredients in drinks from settling at the bottom of a can, and forms a film around sweets and medical pills, keeping them fresh. It is a crucial ingredient in dozens of products Western consumers use every day, and within two years in arriving in Sudan, bin Laden is believed to have secured an effective monopoly over the entire Sudanese output.

Even now the State Department in Washington and analysts at the CIA remain unsure whether bin Laden is still profiting from his investment. Thirty per cent of the shares in Gum Arabic Company Limited are held by the Sudanese government, who may or may not be siphoning profits into bin Laden accounts. The other 70 per cent is held by individual shareholders and banks, any or all of whom may be acting as fronts for bin Laden. It is still possible that every time someone buys an American soft drink they are helping to fill Osama bin Laden's coffers.

—  
August 11, 2000.

Hon. FRANK R. WOLF,  
*U.S. House of Representatives,*  
*Washington, DC.*

DEAR CONGRESSMAN WOLF: Thank you for your recent letter expressing your concern about Section 1439 of H.R. 4868. The humanitarian situation in Sudan is a tragic one, and every effort should be made to bring an end to the unnecessary suffering of the Sudanese people.

The Administration agrees with you that the sanctions on the government of Sudan's exportation of gum arabic should not be lifted. The government of Sudan has not made progress in rectifying the human rights abuses for which those sanctions were imposed, and we should not consider permanently lifting sanctions until satisfactory progress has been made.

The crisis in the Sudan is an important issue to me. I recently shared my concerns with Secretary General Annan, and requested that he and his staff continue to work to ensure that humanitarian organizations like Operation Lifeline Sudan are able to effectively carry out their desperately-needed work.

I share your hope for and commitment to an end to this humanitarian disaster.

Sincerely,

RICHARD C. HOLBROOKE.

#### 100TH ANNIVERSARY OF GALVESTON HURRICANE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. LAMPSON) is recognized for 5 minutes.

Mr. LAMPSON. Mr. Speaker, today I introduced a concurrent resolution in memory of the 100th anniversary of the devastating hurricane which struck Galveston, Texas, on September 8, 1900. The residents of Galveston showed great courage and sacrifice during that terrible storm, and I thought it was important for Congress to recognize that that same spirit is still present in the people who live there today; and I wanted to join them as they honor the memories of those who lost their lives on that historic day 100 years ago.

In an era without radar, satellites or modern radio, the island of Galveston was quickly overtaken by vast waves, surging flood waters and powerful winds of more than 120 miles per hour. The hurricane that struck Galveston is the deadliest natural disaster in the

history of the United States of America. It is estimated that more than 6,000 people lost their lives in a matter of a few hours. Prior to the storm, Galveston was a thriving port community of 37,000 people and was dubbed the Wall Street of the West.

Stories from the survivors of the storm are filled with displays of courage and self-sacrifice in the face of grave danger. One of the most famous is the one about the nuns who ran the orphanage. As the winds and storm tides got higher, it became obvious that the last building would collapse. The nuns tied the children to themselves with clothesline, eight or nine kids to each nun, in a sad, brave effort to try to save them. Three little boys survived the night by camping in a tree. All the rest died.

Galveston never lost that resilient spirit and went on to build a 17-foot seawall that staved off other fierce hurricanes. The city also pumped in millions of tons of sand from the Gulf of Mexico in order to raise the level of the city and its buildings to a safer height.

This weekend, Galveston will be holding a ceremony commemorating the hurricane, honoring the memories of those who died, launching education efforts, and celebrating the rebirth of Galveston after the storm. My resolution extends those efforts to our Nation's Capital and to all the people of the United States. We should honor those who died in the storm and use the anniversary to continue improving hurricane forecasting and to make life safer and more secure along our coasts.

My resolution recognizes the historical significance of the 100th anniversary of the hurricane, it remembers the victims, and it urges the President to issue a proclamation in memory of the thousands of Galvestonians who lost their lives and the survivors who rebuilt the city.

□ 1745

#### FEDERAL BUDGET

The SPEAKER pro tempore (Mr. LAHOOD). Under the Speaker's announced policy of January 6, 1999, the gentleman from Texas (Mr. STENHOLM) is recognized for 60 minutes as the designee of the minority leader.

Mr. STENHOLM. Mr. Speaker, I want to thank those making this period of time available today to further the discussion of the bill that was vetoed and then sustained earlier today.

I would gather that anyone listening to the debate today was rather confused about what was in the bills or what was not in the bills or what the effect would be. But to do this, to set the stage for this, I think it is important for us to go back and to review the budget debates earlier this year.

And I want to speak on behalf again of the Blue Dog budget, the Blue Dog Coalition, that proposed a budget that got 171 votes, a majority of the Democrats, and 33 Republicans, joined with

us when we were debating. And we thought this year's budget debates should be built around a framework that would put our government on a path of retiring and entirely eliminating our public debt by 2010. We thought it was important to save 100 percent of the Social Security and Medicare surpluses. And we thought it important to allow a net tax cut, net tax cut of \$387 billion over 10 years targeted to small businesses and middle-income families and make investments in priority programs of \$387 billion over the same 10-year period.

That became known as the 50/25/25 plan, taking any non-Social Security surpluses and taking 50 percent of that to pay down the debt. Because I have found in my district at home, and I notice the polls bear this out, that the American people by and large, by 70 percent plus, want to see the Congress fix Social Security for the future, because every one knows that beginning in 2010 we are going to have some difficult times delivering on our promises of Social Security particularly at the exact same time that the baby boomers will be retiring. No one disputes that.

We felt like that that was important, but the majority party felt like the most important thing that they could do this year was to deliver a 1.3, 1.6, pick the number, \$1 trillion tax cut of which every one agrees that many of those components are very, very, very popular.

But the Blue Dogs have said first off when we hear people talk about the \$4.6 trillion surplus, we know, and I hope the majority of the American people will soon know, those are projected surpluses.

My colleague will hear in a moment from the gentleman from Mississippi (Mr. TAYLOR), in which he will show there are no surpluses, and he will be right, 100 percent right.

When we disregard the trust funds, not only the Social Security, but Medicare and military and civil service retirement and now railroad retirement, there are no surpluses, but yet we keep hearing this. And then we hear the rhetoric that says \$4.6 trillion, it is your money, and we are going to return a part of it to you.

This kind of prompted me to say that even young school children know to complete the phase I swear to tell the truth, the whole truth and nothing but the truth. As common as that phrase is, we sometimes forget that. In the courthouse, it is rather important. I would wish that it was also important here in the U.S. House, because just this afternoon, as we have heard many times, the truth is, yes, the marriage tax penalty is unfair and in many cases two married individuals currently are taxed at a higher rate than they would be had they remained single, and that is not fair.

It is true that family farms and ranchers and other small businesses sometimes have a difficult time paying the current death tax, that is true.

But then let us talk about the whole truth and nothing but the truth. Yes, the \$4.6 trillion that we hear so much about, most of us understand and I hope the American people will soon understand, those are projected surpluses, not a single American family tonight will go out and spend projected income without a risk.

If we get an extra bonus of \$5,000 and we owe our bank \$10,000, we do not go out and spend it on a vacation, unless we are willing to take a chance on digging our family into a deeper hole. Why should our country be different?

That was the argument that many of us were making this afternoon as pertained to the so-called death tax. I personally feel very strongly that the bill the President vetoed should have been vetoed. In fact, I personally recommended that he do veto the bill, and here is why.

When we look at the effect of a bill that is phased in, in 2010, 10 short years from today, that creates a hole in our budget of \$50 billion that will expand over the next 10 years to \$750 billion, without a plan of how we are going to be dealing with that or just passing on to future Congresses, really, we are passing it on to our grandchildren.

It seemed to me that the first bill that ought to have come to the floor of the House should have been a Social Security reform bill. That should have been the first bill, followed quickly by the Medicare and Medicaid reform bill.

Back home I have numerous hospitals that, unless we put together a balanced budget fix again this year, we will have to close their doors, and this is no exaggeration. Now, to those that talk about spending, if we do not wish to spend some additional money to keep rural hospitals and inner-city hospitals open, that is a fair position for anyone to take, and we will have that discussion. But that is the one we ought to have first, how do we provide for the minimal needs?

As we heard the gentlewoman from Michigan talking about the pharmaceutical bill needs, all that is well established, but yet today we had a bill, the first one to be vetoed. And now I hope the message is sunk in to the leadership of the House, that the next bill also will be vetoed and will be sustained, because I suspect now that most people are beginning to see that the Blue Dogs might have had something right when they said let us not spend projected surpluses, let us use this opportunity in case these surpluses are real, let us pay down our debt.

Let us not forget the \$5.6 trillion that we still owe, \$700 billion now which I was corrected earlier, because contrary to the rhetoric in this body, our debt is going up, not down. We are paying down publicly-held debt, which is good, but we are increasing the debt to our trust funds, which eventually will have to be paid.

Let us not forget so easily as is so often done, and again this afternoon,

let us not forget that we have an unfunded liability in the Social Security trust fund as of today of \$7.9 trillion which is going to have to be paid off. And that is why the Blue Dogs in our budget with the 50/25/25 of saying put maximum interest on paying down the debt, and let us equally divide increased spending on priority areas, and those are defense, veterans, education, health care and agriculture, that is it. Then let us deal with tax cuts.

And that is where, before I yield to my friend, the gentleman from Mississippi, (Mr. TAYLOR), I would make this point again, we would have thought this afternoon that the bill that was vetoed and then sustained was going to do great things for small businesses immediately.

Well, if we listen carefully, we will understand that the reductions in the tax rate on estates under the death tax would not take effect until 2010. The bill that I supported, continue to support and believe that if we can somehow revive some bipartisan action in this action, I believe we can put together a tax component as it pertains to death taxes that would, in fact, repeal all death taxes on all estates up to \$4 million immediately, effective January 1, 2001, to those family farms that I heard, and I have numerous of those in my own district.

I want to make it very clear, unless your estate is more than \$4 million the Democratic substitute that I and others and I hope will revive itself now that this one has been vetoed, that we can in fact have a \$4 trillion exemption so no business, no individual family will ever have to worry about the death tax now.

Now, the argument will be why do we not eliminate it just for everybody. Show me how we are going to fix the Social Security program. Show me how we are going to deal with these surpluses that are not real, which my friend, the gentleman from Mississippi (Mr. TAYLOR) will be showing absolutely that we are talking in terms of fictitious numbers. Show me how we are going to deal with the Social Security, Medicare and Medicaid problems, then let us come and have an honest, open debate about how far we go on estate taxes.

I think a \$4 million exemption effective January 1 beats the heck out of an estate tax phased out in 2010. My colleague, the gentleman from North Dakota (Mr. POMEROY) showed so eloquently earlier today the exact numbers of what we are talking about, and I think once that is understood and folks will get back off of the budget plans that are now showing are going nowhere, that we can come together, we can emphasize what the American people want, and that is pay down the debt, take care of Social Security, so it will be as good for our children and grandchildren as it is for those on it today. Take care of Medicare and Medicaid and pharmaceutical drug needs. Be prudent. Debate your spending, hold

the spending down as much as you possibly can in a bipartisan way.

And with those opening comments, I yield to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, I want to thank my friend and colleague, the gentleman from Texas (Mr. STENHOLM). You know, I represent a district that is very, very heavily promilitary, overly blessed in military bases. We have about 14,000 military retirees and a much higher percentage of overall citizens who have served in the Armed Forces than we think the typical congressional district has.

I guess because of that, I take particular offense at the thought that for 2 years of the past 3 years, the Veterans Administration budget was frozen, not one penny increase. Despite the fact that we have now about 1,300 World War II veterans a day dying, they are getting to that point in their lives where they need help the most. For a typical American, 90 percent of all health care costs that any of us will incur will occur in the last 6 weeks of our lives. So the last 6 weeks of their lives is very sadly coming due for many of our World War II veterans and the VA budget for the past 2 years was frozen because the majority party said there is not any money to give to them.

This month, this month on September 29, the troops would normally have been paid, there are over a million people who serve in the Army, Navy, Air Force, Marines who are out there in dangerous places like Korea in Kosovo right now or in places like Colombia right now who are flying planes right now, under the sea right now, normally they would get paid on September 29, that is not going to happen this year. They are going to get paid on October 1.

The reason for that is so that pay period of over a billion dollars will not be reflected on this fiscal year, it will be shifted to next fiscal year. For a Congressman like myself or a high-ranking government official who makes good money, that is no big deal, delaying our pay for a couple of days. As a matter of fact, though, our pay is not going to get paid. All the congressional staffers will get paid at the end of September. In fact, the only people in the entire United States Government whose pay is going to be delayed are the guys who earn it and deserve it the most.

And so for a young enlistee on fixed income who is counting on that paycheck on Friday to buy Pampers and formula for his kids, he is not going to get paid until Monday, because it is one of the gimmicks once again from the folks who say we needed that money.

The last year the Democrats ran the House was 1994. In 1994, there were 404 ships in the United States Navy. Today as I speak, there are 315 ships in the United States Navy. That is a drop of

89 ships since the Republicans, who pledged for a strong national defense took over, because they will not give them the money to build the ships or maintain the fleet, again, they say, because we do not have the money.

The fleet is now the smallest it has been since 1933 when it was 311 ships. They say because we do not have the money, so you can imagine my surprise and a great many American's surprise when lo and behold they are suddenly saying we have this huge surplus, after telling the veterans wait your turn, after telling the active duty military wait your turn, after telling the United States Navy wait your turn, we have a big budget surplus, and to keep the guys in Washington, whoever they are, since they are in the majority, from spending it, we have to give it away in tax breaks and let us start with the wealthiest 2 percent of all Americans, the ones who do pay the estate taxes.

There is one small problem with the allegedly budget surplus. It does not exist.

□ 1800

As a matter of fact, if you take the time to read these numbers, you will realize about the only two things accurate in the words "budget surplus" are the letters "BS."

Those of you who have home computers, I would encourage you to take a look at 3 p.m. eastern time on the fourth workday of every month on [www.publicdebt.treas.gov](http://www.publicdebt.treas.gov). This is a publishing of the public debt. One of the things our colleagues will tell you is not only do we have this great big surplus, but we are paying down the debt. If that were true, it would be wonderful. Unfortunately, it is not.

The total debt outstanding as of June 30, 1 year ago, was \$5 trillion, and a trillion is a thousand billion, 638 billion, and a billion is a thousand million, 780 million. One year later, on June 30 of the Year 2000, it has grown by over \$40 billion, to \$5,685,938,000,000.

It has grown. It has grown by \$40 billion. So despite the talk that they can afford to give away the \$50 billion a year that the estate tax repeal would cost the Treasury of the United States, there is no surplus. The debt is not shrinking, it is growing.

Who owns that debt? Let us remember that a third of all the national debt is owned by foreign lending institutions. So if the Japanese or German lending institutions that own our debt demand that it be paid off, think about the economic chaos in America.

One of the things that I would hope the American people would take the time to look at is that there is a surplus in what is called the trust funds. The trust funds are taxes that are collected for a specific purpose and are supposed to be set aside just for that purpose.

If you look on your pay stub, there is something called FICA. That is just Social Security taxes. It is collected from you, it is collected from your em-

ployer, and it is supposed to be set aside to pay your Social Security benefits when that time comes. There is a Medicare Trust Fund, taxes collected from you, set aside to help with your health care costs when that time comes.

If you served in the military, there is a military retiree trust fund to pay your benefits when you retire. There is a trust fund for the Highway Department. Again, taxes when you buy your gasoline, those taxes are supposed to be set aside and used for nothing but paying the trust fund.

Unfortunately, if you take the time to look at the report that I just told you about, you will see that ending in the month of June, the Nation in that fiscal year had already taken \$11 billion out of the trust funds just to meet annual operating expenses. That number grew to \$12.967 billion in the month of July.

So my question to my colleagues who say that we can afford to lose \$50 billion a year in revenue on the estate tax is whose trust fund are you going to steal it from? And they have yet to answer that question. If they are not going to borrow it, then they have got to steal it from a trust fund in order to pay that bill.

Are they going to steal it from the Social Security trust fund? Are they going to steal it from Medicare part A, which pays the hospital costs of senior citizens? Are they going to steal it from Medicare part B, which pays the physicians' costs? Are they going to pay it from the Social Security disability fund, for people who through some tragic accident can no longer work and need a little help until they reach the age of 65? Or are they going to steal it from the military retiree trust fund, people who have given their whole lives to defending our country, who have set aside a portion of their paychecks so they can count on that check for the rest of their lives? Who are they going to steal it from?

As I told you, the debt is growing, and the best analogy that I can use as far as those folks who say we have this big surplus, not only is the debt growing, but it has grown enormously in our lifetimes. Most Americans think that maybe this generation did our per capita share of the total debt. Wrong.

In 1980, this Nation was less than \$1 trillion in debt. Right now it is \$5.7 trillion in debt. Almost all of the debt has occurred in our lifetimes. So I ask my colleagues who are adamant about huge spending increases or adamant about huge tax decreases, why would you as a Nation burden your children with that debt? Can you name one single responsible individual who says I am going to go buy a whole bunch of stuff, I am going to have a whole lot of fun, and I am going to stick my kids with that bill? And, by the way, I am going to deplete the military while I am at it, I am not going to build any ships to defend us, I am going to short-change the guys in uniform, and by the

way, we might even take a little money out of the militarily trust fund. That is their solution for America. I think their solution is wrong.

I had an opportunity to give this talk to someone who really would benefit from this. He happens to be a banker in Mississippi. He happens to be the majority stockholder of the biggest bank in Mississippi. He had written me saying, you know, I worked on all of my life, I scrimped and saved, and I know the man and know it to be true, and I would like to leave as much of this as I can to my kids. I do not want to pay an estate tax.

I explained to him that our Nation is squandering \$1 billion a day on interest on the national debt, we did it yesterday, we did it the day before, we will do it tomorrow and do it every day for the rest of our lives until we pay off the national debt. He is a banker. He understands interest. At the end of our conversation, he said, "Gene, you did the right thing."

I would hope that other Americans will take the time to look at these reports, because, unfortunately, the Washington Post will not tell you, the New York Times will not tell you. I have actually seen economists in nationwide publications saying there is so much money they are going to pay off the debt in 2 years. None of them have bothered to read the only reports that count, and that is the reports from the U.S. Public Debt, the reports from the U.S. Treasury, and they will show convincingly there is no surplus.

So if we care about our country as much as we say we do, if we care enough to let our kids serve in the military, if we care enough to reward those veterans who served us so well in places like World War II, in Vietnam and Korea, if you think the sacrifices that they made are worth preserving, then why would we bankrupt our country now? And not for the least fortunate Americans, but for the sake of the most fortunate Americans? It makes no sense whatsoever.

So I want to thank the gentleman from Texas (Mr. STENHOLM) for this opportunity, and again I want to encourage every American to look up this site, [www.publicdebt.treas.gov](http://www.publicdebt.treas.gov). If you have any doubt whatsoever as to the accuracy of these figures, you may get them for yourself. I encourage every American who has a computer to take the time and look, because it is frightening; and we as a Nation are truly in the position of a guy who cannot pay his debts, who for 200 years has not paid his debt, and is now going to the banker and saying, Can I just pay some interest? That is what we are doing as a Nation.

There is no surplus. It is time to pay off the debt and quit sticking our kids with our bills.

Mr. STENHOLM. Mr. Speaker, I thank my friend from Mississippi for his contribution and would remind my colleagues, Mr. Speaker, that this is the left side of the aisle speaking.

These are the same voices that have been encouraging the current majority to take a look at these surpluses that everyone talks about and deal with them as they are.

What the gentleman has just stated is a fact. It is not made up. The only response we sometimes hear from them is "you Democrats were in charge for 40 years and you did it, so we are going to do it too." Well, that really does not make sense. I do not think the majority of the American people want us to continue making the same mistakes that others have made. That is why we in the Blue Dog Coalition have said all year, let us be fiscally responsible with our tax cuts and let us be fiscally responsible with any additional spending. Let us seek out a bipartisan agreement on all of the above.

Again, that is why I want to, before I yield to my friend from East Texas (Mr. TURNER), I want to again reiterate today's vote on the death tax. Most of us who opposed it and supported the President did so because we believe there is a better alternative.

I would hope that now that the veto has been sustained and that the people will begin asking the question, what next, we will take a look at the Democratic alternative. Maybe it is not perfect, and I would be the first one to say it is not perfect. If it can be improved, let us work in a bipartisan way to improve it. To do what? To eliminate the unfair punitive penalties that occur on small businesses when the death of parents occurs.

We agree to that. Our proposal was that we ought to exempt \$4 million estates. Now, back home where I come from, those are not small businesses. But in the big picture they are small businesses. When you start picking a number, it is always difficult to do.

Where is the \$4 million coming from? It is something that would cost \$22 billion over the next 10 years, rather than \$105 billion. And the \$4 million figure as proposed and supported by many of us on our side of the aisle would be signed by the President. In fact, I would not be surprised if it could not be improved.

I keep hearing some say why not go to a \$4 million exemption, and then tax all estates over and above that at the capital gains tax rate?

I am for that, Mr. Speaker. I think that makes eminent good sense. I would like to see CBO and OMB seriously look at that and see if that would not be a better proposal.

But the bill that was vetoed just cut it off in 2010. The Democratic substitute that I worked so hard on said let us not cut it off at 2010; let us continue the same cost into the next 10 years, at least until we fix Social Security for our children and grandchildren. That is why I have become such a bull dog on all programs, including the one that we just passed overwhelmingly, the Railroad Retirement Act that passed overwhelmingly awhile ago.

I have no doubt it is a good bill. I was contacted by many of my constituents

saying support it. A lot of it I could support. But the cost, getting into Social Security, reducing the retirement age precisely at the time that we are increasing the retirement age on Social Security, under current law, from 65 to 67, that is currently going on, I had some questions. I really questioned us taking out of context various bills, even the good ones, even those which I may in the end say I voted wrong today.

But until we can put into context how we are going to deal with these non-surpluses, as we now have heard from the gentleman from Mississippi (Mr. TAYLOR), I really think we have to question what is fiscally responsible and what is not, and remind again when you hear about trust funds, when you hear about surpluses, they are projected. None of this is real. Most families do not spend projected surpluses without getting in trouble if they do not occur.

Mr. Speaker, I am happy to yield to the gentleman from Texas (Mr. TURNER).

Mr. TURNER. Mr. Speaker, I thank the gentleman for yielding. I want to thank the gentleman in particular for his hard work that he has exhibited throughout his years in Congress to try to bring fiscal responsibility to the Federal Government.

Just last year for the first time we had a surplus in the annual Federal budget. We had not had one they tell me for 30 years. I think it is very important as all of this talk is being kicked around about the surplus, the anticipated surplus, that we not waiver in our commitment to try to continue to have annual Federal surpluses so we can pay down our Federal debt.

It may very well be, as the gentleman from Mississippi (Mr. TAYLOR) said, there may not really be a surplus. People talk a lot about the anticipated surplus; but it is not here yet, and it may not be here.

We all have been told by the Congressional Budget Office that the non-Social Security, non-Medicare Trust Fund surplus totals about \$2.2 trillion over the next 10 years. That is an estimate. It may or may not arrive. But we also are told that that estimate of the surplus is based on a lot of assumptions. It is based on the assumption that Federal spending will not increase, even though we know the population of this country keeps growing and placing increased demand on the Federal Government.

We also know that if we reduce the assumption in the budget estimate of economic growth by only one half of 1 percent, that 25 percent of that surplus just disappears. A one-half of 1 percent adjustment in annual growth over 10 years means \$500 billion of the estimated \$2 trillion surplus disappears.

So I think it is important for us to talk tonight about the importance of staying on course for fiscal responsibility, and I was very proud that Vice President GORE and Mr. LIEBERMAN

proposed a budget surplus reserve fund, to make sure that if all those rosy estimates of the surplus turn out not to be true, that we will not put this country back into deficits.

□ 1815

A fellow in overalls probably made the point better than I will tonight at a town meeting I had in my district. After all my efforts to explain all this complicated talk about Federal budget surplus estimates and the national debt, he raised his hand and he says, Congressman, how can you folks in Washington talk about a surplus when you have a national debt of over \$5 trillion? Well, that stumped me for a minute, because I guess that is true. Only in Washington can people claim to have a surplus when we have a \$5 trillion debt at the same time.

Back when we got the revised estimate of the anticipated surplus that is supposed to arrive over the next 10 years of \$2.2 trillion from our Congressional Budget Office, that very day the national debt stood at \$5.6 trillion. Yes, only in Washington can people say we have a surplus when we owe \$5.6 trillion.

So before we let the politicians squander our future anticipated surplus with new spending programs or irresponsible tax cuts that primarily are aimed at the wealthiest Americans, let us set up a simple and reliable budget framework that we can all play by.

The Blue Dog Democrats, the conservative Democrats in this Congress, have always advocated a very simple plan for the use of any anticipated surplus that may arrive over the next 10 years. We say, let us dedicate 50 percent of us to paying down the national debt. Let us use 25 percent of it for commonsense tax cuts that are aimed at people who really need a tax break. Let us use 25 percent of any anticipated surplus to be sure that we save social security and Medicare for the next generation.

That is a sensible plan, a sound plan, and any time I have had the opportunity to talk about it to the people of my district, they say it is a good plan that we ought to follow. Our national debt works a lot like our credit cards. When the United States runs up a big debt that we do not pay off, then we have to pay interest. The debt keeps growing, and so do the interest payments.

The interest today is eating away at our budget. We spent last year almost as much on interest on our national debt as we spent on the entire defense budget, which is the largest category of spending in the Federal budget.

If we use half of our surplus to pay down the national debt, we can pay it off entirely in 10 years. There is still room after that to afford other national priorities like commonsense tax cuts, social security reinforcement, and to save the Medicare program for the future.

But it seems that here in Washington, in order to issue a good press

release about how big a tax cut we are for, the majority in this Congress has insisted on applying the bulk of any anticipated surplus to tax cuts. In fact, if we total up all the tax cuts that have passed through one House or the other in this Congress, they total almost \$1 trillion.

President Bush has proposed \$1.3 to \$1.6 trillion in tax cuts over the next 10 years. It is hard for me to see how they could devote 80 to 90 percent of any anticipated surplus that may not even show up to tax cuts, and then tell the American people that they are going to pay off the national debt. The truth of the matter is that we cannot do it.

Under those almost \$1 trillion in tax cuts, we find that they were targeted at the wealthiest Americans. In fact, an analysis that I looked at just the other day said that 50 percent of the tax cuts in that Republican plan, that \$1 trillion, almost, in tax cuts, would go to the wealthy families of our country who make over \$130,000, the top 5 percent of American families, while on the other hand, middle-income families making under \$40,000 would get less than 10 percent of those tax cuts.

Stated another way, it means that a middle-income family earning \$50,700 a year would get a tax break under the Republican plan of \$323 a year, less than \$1 a day, while the wealthy family earning \$329,000 a year would save \$6,408 in their tax obligation. That is simply not fair.

Yes, all Americans need tax relief, but those who have benefited the most from the prosperity that we have enjoyed should not receive the largest percentage of income savings. We need to get our financial house in order and our debt paid off before we give Bill Gates and Ross Perot a multi-billion dollar tax break.

Let me make it clear, I am a strong supporter of tax cuts for working families. The Democrats in this Congress have voted for tax cuts for American families. They have voted for a less expensive version of the estate tax repeal that would repeal the estate tax for 95 percent of the American people who currently would be obligated to pay one, and keep in mind, only 2 percent of American families even pay the estate tax today.

The Democrats also advocated getting rid of the marriage penalty, and voted on the floor of this House to do so, but the Republicans wanted to be sure they had a sweeter deal and they proposed a tax cut that not only eliminated the marriage penalty, but gave tax relief to those who actually get a marriage bonus.

As I say, if we look at all the tax cuts that the Republican majority has passed on either the floor of this House or the Senate totalling almost \$1 trillion, what we find is that the wealthiest Americans benefit the most, leaving the crumbs to average working families.

It is the hard work of every American taxpayer that is fueling our sur-

plus. As I have heard said often in the presidential campaign, American families need tax relief, and they do. Both candidates agree. But the truth of it, to say that the surplus is not the government's money, it is the people's money, misses the point, because the people of the country also, unfortunately, owe almost \$6 trillion in debt.

So let us be sure that when we talk about tax cuts, that we are talking about responsible tax cuts aimed at middle-income Americans who need the tax relief, and let us also be sure that we do not make those tax cuts so big that we fail to deal with the national debt, which is approaching \$6 trillion.

The truth is, the best tax cut that the American people can get is to pay down the national debt. Let me say that again. The best tax cut that the American people can get is to pay down the national debt.

Members may say, why is that so? Economists uniformly agree that if we pay down the national debt, it gets the government out of the business of borrowing money in the credit market. If we reduce the demand for credit, the effect across-the-board is to lower interest rates: less demand from borrowed money, lowered interest rates.

So what we can do is pay down the national debt, and by doing so, give the American people something even better than tax relief.

The Council of Economic Advisors reports that paying down the debt over the next 10 years will save American families \$250 billion in home mortgage payments alone, \$250 billion. A 2 percent reduction in interest rates would save a family paying a \$100,000 mortgage \$2,000 a year.

Keep in mind, even the gigantic, irresponsible Republican tax cut plan saves an average working family, a middle-income family, less than \$1 a day, less than \$323 a year. If we can lower interest rates and that family is trying to pay off a home, and most families enjoy the opportunity to own their own home at some point in their lives, if we can reduce that interest rate 2 percent, we will not save them \$323, we will save them \$2,000 a year.

That is the kind of sound budget plan that this Congress need to pursue. We have a responsibility in these prosperous times to take advantage of a historic opportunity to pay down the debt, a debt that was accumulated over 30 years of deficit spending. We have a responsibility not to count on the estimated \$2 trillion surplus that is supposed to arrive here over the next 10 years by deciding today what we are going to do with it.

It is kind of interesting, because we actually here in Congress have had tax cuts on the floor that would consume the opportunity for any Congress in the next 10 years to vote on a tax cut. It seems to me that those who claim to be fiscally prudent, who claim to be fiscal conservatives, would understand that we do not spend a surplus that is

not here yet, and that we do not spend it all at one time.

There are other priorities that we have to be attentive to. Medicare needs to be preserved for the next generation. Social security needs to be preserved for the next generation. We need a prescription drug benefit under Medicare for our senior citizens. We need to spend more on national defense. We need to be sure that we protect our veterans.

Those are issues that have not been accounted for when people talk about a \$2 trillion estimated surplus. So let us stick to a plan of fiscal responsibility. Let us be sure we protect our economy for the future. Let us be sure that our children do not have to pay off that \$5.6 trillion debt that, by the way, continues to grow.

I thank the gentleman for the opportunity to share these thoughts.

Mr. STENHOLM. Mr. Speaker, I thank the gentleman from Texas (Mr. TURNER), and I thank the gentleman for pointing out that the best tax cut that this Congress can give the American people is that which keeps interest rates down, something that gets overlooked in the rhetoric around here so often.

The gentleman gave the numbers, I was using a little smaller number, a \$50,000 home mortgage, a reduction of 1 percent in the interest is \$500 per year. That is real money that working families would darned sure appreciate.

By now, I would hope that folks have begun to realize some of the fallacies of those who suggest a \$1,300,000,000,000 tax cut is what this economy needs.

Review for just a moment as I think out loud, what has the Federal Reserve done I believe six times in the last year? Increased interest rates. Why have they done that? Concern of the Federal Reserve that the economy may be overheating and inflation may be taking off; one of the cruelest taxes that occurs, particularly to those who live on fixed incomes.

Why do we have a tax cut? To stimulate the economy. If we should have a large immediate tax cut that stimulates the economy, why would we not suppose the Federal Reserve may take it away in interest rate increases? It is something that has bothered me a great deal, and it is one of those things that has influenced the Blue Dog budget and the proposal.

Let me again as I close remind everyone that this Blue Dog framework that the gentleman from Texas (Mr. TURNER) and the gentleman from Mississippi (Mr. TAYLOR) and I have been talking about, and I am rather disappointed that we have not been joined by some of our friends on the other side of the aisle who have agreed with us, 33 voted with us earlier this year, in agreeing that this framework that would pay down the debt would be fiscally responsible on spending and tax cuts, and would be a pretty good plan.

It is not too late. We still have 18 working days left now in the 106th Con-

gress if we adjourn at our scheduled time. In order for us to get through with our work, we are going to have to find an agreement that can be supported by a majority of the House, a majority of the Senate, and the President concurring.

It is not a bad blueprint for us to be thinking about now. It is 50/25/25. We all agree we are not going to touch social security and Medicare trust funds. That is half of the \$4.6 trillion. Everyone agrees to that. Why not set aside half of the remaining to pay down debt, and then let us, in a bipartisan way, decide how much we are going to spend on health care; on pharmaceutical drugs; on the defense needs of this country; on water, as it pertains to my district.

□ 1830

The Speaker pro tempore has had some pretty severe disasters out in his part of the country. I have witnessed that and the tremendous devastation that has occurred to forests and ranchers and all. I suspect there are going to be some legitimate needs there where we probably are going to find some agreement. So let us stop this complete total partisan bickering and realize it is going to take some bipartisan action.

Here, I want to make another comment about Social Security. Because if I had one prevailing reason for encouraging the President to veto the death tax bill that was presented to him, it was because of Social Security.

I continue to say, as my colleagues have heard me say several times on the floor, I have two reasons for my vote today, and their names are Chase and Kohl, who are my wife Cindy's and my 5- and 3-year old grandsons. When they were born, the first one 5 years ago, I resolved that I did not want them to look back 65 years from that date and say, if only my granddad would have done what in his heart he knew he should have been doing when he was in the Congress, we would not be in the mess we are in today.

That is kind of the guiding light, I guess, for me insisting that a backend loaded tax cut on the death tax that repeals it in 2010 at the cost of \$50 billion at the exact same time baby boomers are retiring. That Congress, now I will not be here at that time, my body will not take this job that much longer, but there will be a Congress that will be there, and it is grossly fiscally irresponsible to pass on to future Congresses and to our grandchildren those unanswered questions of where they are going to get that revenue.

I think we ought to first make the decisions here on Social Security and Medicare. Obviously we are not going to do that in the 106th Congress. It is going to take the 107th Congress to do that and a new administration. I look forward to working with them, hopefully, in a bipartisan way.

Just as this year I want to commend the gentleman from Michigan (Mr.

SMITH) who stood alone arguing some fiscal responsibility on the Railroad Retirement and Survivors Improvement Act that passed overwhelmingly. I voted with the gentleman from Michigan (Mr. SMITH). I appreciate the point he was making even though it did fall on deaf ears, because any time we can find some bipartisan consensus on spending additional money or cutting taxes, it is very popular, very difficult to stand in the way.

But the gentleman from Arizona (Mr. KOLBE), my colleague from the other side of the aisle, and I have worked on a Social Security reform bill that we know that is going to cost some money over the next 10 years to implement it. That is why I have said that, before we start spending surpluses that are not there, let us fix Social Security. Let us have that open, honest debate. Well, it will take us next year to do that unfortunately.

Here a little bit of other history. Many times today I have heard that it was only after the majority changed in the House of Representatives that the budget got balanced. Well, I think that is taking a few liberties. I am perfectly willing and openly acknowledge the contribution of many of my friends on the other side of the aisle. But I think it is important for us from time to time when we start talking about budget to review some history on votes of the budget.

Let us go back to 1991. Remember that one. That was the Bush budget, President Bush. Well, it passed, but only 37 Republicans voted for it. I happen to have voted for it because I thought it was the right thing to do. But President Bush paid dearly with it because he got un-elected in 1992, and one of the big issues was the budget of 1991.

Now let us go on to 1993. Remember that one. The Clinton budget. Well, I voted for parts of that and voted against parts of that, but I got the blame for all of that. In hindsight, the blame was not all that bad. But zero Republicans voted for that budget. It took all Democrats to vote for it.

Then let us fast forward to 1997, the Balanced Budget Agreement in 1997 that many give credit for the current fiscal situation. Well, here again 187 Republicans voted for it. It took a few of us Democrats, we Democrats to vote for it, too.

My point here is saying that we have always had, in most cases, bipartisan cooperation, sometimes bigger than others. But we seem to have wanted to get away from that. I hope, Mr. Speaker, that our colleagues that have been observing this today and perhaps others who may be a little bit puzzled maybe will have a few answers today of why some of us believe that the veto of the bill on the floor today was the right vote. We sustained it, just as some of us feel that the President's veto of the so-called marriage tax penalty is the right vote. I am one of those. I will say openly and honestly right now I will sustain that veto also.

Why do I say that? First off, I agree that we should not have a penalty on the marriage. Any two men and women married should not be penalized for being married. But it does not take \$292 billion to repeal the marriage tax penalty. Most economists and accountants will say, no matter how hard we try, we cannot eliminate the penalty, but we can do the best job we possibly can with \$82 billion. That is in the Blue Dog budget. That is what we will support, but not \$292 billion.

I am saying this to alert, to just say to the leadership, if they insist, and I think they will, on continuing to have as the real centerpiece of their economic platform for November of a \$1.3 trillion dollar tax cut, but they also believe that we have to increase defense spending and they also believe we have got to fix health care and they also believe we have got to take care of agriculture's problems and they also believe that we have got to fix Social Security. They cannot do all of those things unless they take a more fiscally responsible position. Mr. Speaker, that is why we take this hour today.

I will say again so that there shall be no misunderstanding by anyone observing or interpreting the vote today. The alternative that the President would have signed and will still sign, as he has stated, would have exempted all small businesses, all small businesses, farmers and ranchers included, up to \$4 million from even having to consider paying the death tax. What is wrong with that? Effective January 1, 2001, not 2010.

If we really and truly want to deal with it in a fiscally responsible way, let us know that the partisan politics is over on this vote, let us roll up our sleeves, then let us see if we cannot put together some, as I said earlier, if the Democratic version is not perfect, let us roll up our sleeves and, for a change on the Committee on Ways and Means, work, Democrat and Republican, to make a better one. But let us make sure it fits within the budget restraints.

To get my vote on any compromise, it cannot be a backend loaded tax cut for death taxes, for marriage tax penalty, for any other tax. It is fiscally irresponsible, in my humble opinion, for this Congress to pass tax cuts that explode in 2010 and afterwards. If we want to do it, do it now. Have that open debate. But do not, do not backend load without first coming to this floor with the Social Security reform bill.

My colleagues will find that there will be bipartisan support, bipartisan support for a lot of the ideas kicking around as long as we are willing to openly and honestly pay for them. The bill that was vetoed today was not openly and honestly paid for. The truth, the whole truth and nothing but the truth.

I thank my colleagues for joining with me today, and we look forward to the continuing of this discussion next week and hopefully getting an agree-

ment that will get 218 votes, 51 votes and a Presidential signature, ideally 435 and 100, but that will never happen, Mr. Speaker. But I suspect that we might find one that you and I will agree on.

#### ISSUES REGARDING THE DEPARTMENT OF EDUCATION

The SPEAKER pro tempore (Mr. SIMPSON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Michigan (Mr. HOEKSTRA) is recognized for 60 minutes as the designee of the majority leader.

Mr. HOEKSTRA. Mr. Speaker, I welcome the gentleman from Colorado (Mr. SCHAFFER) who is going to be joining me tonight as we talk about some of the issues that we have dealt with on my subcommittee.

I chair a subcommittee dealing with the oversight issues dealing with the Education and Labor Departments. We are going to kind of take our colleagues through what we have found in our investigations, and some of the things are quite disappointing. On the other hand, there are some things that have been very, very exciting.

Let us start where we should, since we have responsibility for this agency, taking a look at the Department of Education here in Washington. This is a Department that spends approximately \$40 billion per year. It also manages a loan portfolio in the neighborhood of \$80 billion to \$100 billion. So this is an agency that, under its control, has about \$120 billion to \$140 billion. It is a pretty large corporation if it were in the private sector.

Let us reflect back as to what we envisioned for an organization like this. In some ways, it matches what our Vice President AL GORE indicated early in the Clinton administration when he was talking about reinventing government, and that we saw these Federal agencies as representing the best in management practices, mirroring the best in management practices that one finds in the private sector.

If these management practices are in the private sector, it would make a lot of sense for the Federal Government and the agencies within the Federal Government to learn from what is the best practices and incorporate those best practices. I think in many ways that was what the Vice President, Vice President GORE, intended with his assignment to reinvent government.

In 3 weeks we will close another fiscal year. The disappointing thing is that, yes, the Education Department has been reinvented, but under this administration, it has been reinvented into something that none of us can feel very good about. Remember this is an agency that spends \$40 billion on discretionary funds, manages the loan portfolio in the neighborhood of \$80 billion to \$100 billion.

What do we know? We know that, for the year 2000, the Department of Education will again fail its audit. It has

failed its audit in 1998. It failed its audit in 1999. With testimony that we have received in our oversight subcommittee, it is clear that, once again, in 2000, the Department of Education will not have the internal controls, the internal systems in place that will enable it to receive a clean audit.

If that is what the Vice President means by reinventing government, then it is time that we take another look at exactly what this should mean.

When we have got an agency that does not get a clean audit, what does that mean in the private sector? I worked in the private sector, and I worked for a publicly held company. If one is in the private sector and one's independent auditors come in and take a look at one's books, and they indicate to one's shareholders, one's customers and to Wall Street that one's books are not an accurate reflection of what is actually going on in one's business, typically what will happen is the value of the stock will plummet, perhaps even the trading of one's shares will be suspended on the market. One will begin looking for a new chief financial officer. One may also begin looking for a new chief executive officer. Of course one would begin looking for a new person who said we are going to reinvent this company and make it the way that we would like it to perform. That is the private sector.

Why would that happen? This is why companies go through and get an audit. This is why we push to have Federal agencies become auditable. We know that when the books are not clean, and when the systems are not in place, what one is doing is one is putting in place a system of behavior that is ripe for waste, fraud and abuse.

That is why it is so critical in the private sector. That is also why it is so critical in the government sector. Because now approaching its third year of failed audits, what else do we know? Do we see a Department of Education that has the negative with the failed audits but everything else is fine? No. What we find within the Department of Education is a system that is full of waste, fraud and abuse.

Let us also define exactly what the Department of Education is. The Department of Education does not educate any of our kids. Basically what it does is it manages this \$40 billion in discretionary spending. This is money that it sent around the country. It manages this loan portfolio. So basically what it is, it is a bank that distributes taxpayers' money. What we now know under the Vice President's definition of reinventing government it does not do it very well, because the auditors say there is no clear indication that the way that the Department of Education reports its spending actually reflects what happens.

□ 1845

So it is a bank. It distributes funds; it manages loans. What it does not do is it does not educate our kids.

What do we know about the failed audits? What do we see? What do we know is that it has a fairly elaborate process; that it has this \$40 billion, and if a local school district would like to get some of that to reduce class size by hiring teachers, to maybe purchase technology, to get integrated into the Internet, it is about a 192-step discretionary grant process. The application and approval process is a very long and expensive process.

Now, with that kind of process, one would think it is foolproof. We would think out of those 192 steps, and by the way, this process used to be a whole lot longer but it was reinvented by the Vice President to only 192 steps, yet it still takes 20 weeks to get it done; but one would think, well, it is a good thing it has gone through that process because at least we will get it right. What are some of the examples and the reason we now know that that is not what is happening? "Congratulations, you are not a winner."

That is our Department of Education. The Jacob Javits scholarship. This is an opportunity where young people who are graduating from college have the opportunity to compete for and receive up to 4 years of graduate education from the Department, paid for by the American taxpayers. Linh Hua, a graduate student at the University of California, received a letter in February informing her that she had been selected to receive a Jacob Javits graduate fellowship. She was excited. If I were her parents or friend, I would be excited, because it means she is going to get \$100,000 of education graduate school paid for.

She immediately informed the director of graduate studies at her institution. He in turn trumpeted the good news to the entire English department in a news announcement. It is exactly what anyone else would do if someone in their own class, in their own department were being recognized by the Department of Education for their academic achievement and they are being rewarded.

A few days later Linh received a message on her answering machine that she had received the letter in error. A mistake. The contractor working for the Department had erroneously sent award notification letters to 39 students informing them that they had won the awards. Thirty-nine students. Ms. Hua was crushed by the news. She describes her feelings in a letter to the chairman of the House Committee on Education and the Workforce: "I think my heart snapped in half. News of the possible withdrawal was devastating to me, and I have not found words to break the news to my family and friends. How does one share such news and still hold her head up high? I continue to be visibly distracted from my work, family and friends, and will be in great emotional turmoil until I can trust that my fellowship will not be withdrawn. Surely you will agree that it is wrong for the United States Gov-

ernment to condone such treatment of its citizens."

Members of the committee agreed. At their urging, and due to a provision lawmakers had the foresight to include, I guess we knew when the Vice President reinvented the Department of Education that these types of mistakes might happen, that due to a provision lawmakers had inserted into the Higher Education Act anticipating such a mistake, the education department eventually agreed to award fellowships to these 39 students. The cost for this mistake was \$4 million.

Reading, writing and robbery; a theft ring involving collaboration between outside contractors and education department employees operated for at least 3 years, stealing more than \$300,000 worth of electronic equipment, including computers, cell phones, VCRs, and a 61-inch television set. It also netted from the agency, from the Department of Education, more than \$600,000 in false overtime pay.

Very simple scheme. The Department of Education employee in charge of purchasing filed all these purchasing agreements or purchasing contracts. There were no controls monitoring what this person did. This is why auditing companies say we are not sure that what they were actually doing, or reflecting on the books, actually reflected what they were doing.

This individual ordered the materials and, rather than having it delivered to the Department of Education, they were delivered to these people's homes. What was in it for the phone guy? The phone guy was the one that was able to bill the Department for over \$600,000 of false overtime pay. Who paid? The American taxpayer. Who lost? American students who were the ones intended to receive these benefits.

The education department improperly discharged almost \$77 million in student loans for borrowers who falsely claimed to be either permanently disabled or deceased. This did not come from our committee; this came from the inspector general's report. From July 1, 1994 through December 31, 1996, fully 23 percent of all individuals whose loans were discharged due to disability claims were actually holding jobs, some earning more than \$50,000 a year. A total of \$73 million in loans was improperly forgiven.

During the same period, the good news is that 708 borrowers receiving death discharges actually were earning wages. They were still alive. But their loans had been written off for a total of \$3.8 million, a total of \$77 million.

September: failing Proofreading 101. In September 1999 the education department printed 3.5 million financial aid forms containing incorrect line references to the IRS tax form. The forms were incorrect, had to be destroyed, and 100,000 of them that had been distributed to schools had to be recalled. The cost of the error was \$720,000.

The list goes on and on about this mismanagement within the Depart-

ment of Education. The disappointing thing is the Department of Education still has not been, as the Vice President would have described it, reinvented to a standard that hundreds of thousands of companies around America have to meet each and every day. They have clean books, a clean set of standards. Imagine the IRS going into a company and contesting their tax bill and saying, wow, we think you owe us some money, and the owner of the company coming out and saying, well, we reinvented our company last year so our books are not quite clean; but we think that our books roughly approximate what actually happened within our company. So based on those rough estimates and our books, we think that the tax that we paid you roughly reflects what we actually think we owe you.

I do not think the IRS would show the same kind of sympathy that we have shown to the Department of Education.

It is time for this Department to clean up its act and become reinvented. Actually, it does not even need to be reinvented. What we would like it to do is just to actually meet the standards that are out there in the private sector each and every day.

I see my colleague from Colorado has joined me. I do not know if he wants to add on to some of these examples or talk about others. My colleague from Colorado and I have taken a look at the Department of Education and found the bad news, the bad news on the education front in Washington, that we have a Department that has responsibility for \$100 to \$120 billion and cannot get a clean set of books and is ripe with waste, fraud, and abuse; but the good news is what my colleague and I have seen as we have gone to 21 States and seen the great things that are happening in education in America today when we empower parents, teachers, and administrators at the local level to focus on educating their kids.

We have seen tremendous things in the Bronx, in Cleveland, Milwaukee, Little Rock, Arkansas, L.A., Muskegon, Michigan. We have seen some great things in education as we have gone around the country. That is the exciting thing. And it is a sharp contrast to what we see here in Washington.

Mr. Speaker, I yield now to my colleague, the gentleman from Colorado (Mr. SCHAFFER).

Mr. SCHAFFER. I thank my colleague for yielding, and I also appreciate the examples that he laid out. They are very sad and they are very unfortunate that the Department of Education wastes and squanders and abuses the taxpayers' money to the extent that it does. But that is really no surprise though, Mr. Speaker. This is Washington, D.C., after all; and the Federal Government wastes, squanders, and loses money in virtually every department that the Federal Government

operates. It is just regrettable that the Department of Education is one of the worst.

In the audits that the Congress requires various agencies to carry out, the Department of Education in 1998 could not even audit its own books. The books were so bad, so poorly kept, that they were just unauditible. And I remember the hearings that we held together, that the gentleman chaired, where we brought the Department of Education in and wanted to know where did the money go. We noted that they get billions of dollars, and we share the dream and the goal that these dollars should be spent on children in classrooms. We care about education and we want to see our children have the best resources, and really unlimited, if possible. And to a great extent that is possible, even with the money we are spending now. But the reality is not only do we know for certain that a tremendous proportion of the dollars that the American taxpayer spends never make it to the classroom, it is so bad that the Department could not even quantify that amount because it could not even balance its own books.

It is spending money, Mr. Speaker, without the ability to track these dollars and let the American taxpayers know what it has done with those funds, those important revenues. So that I think the real message is that waste, fraud, and abuse exists in the Department of Education. It is graphic, it is ugly, it is miserable, it is unfortunate, and we want to fix that. And first of all, the way we fix these kinds of problems is by admitting them, openly and publicly, by talking about them and trying to find out how we fix these problems.

The goal is not really to have more and better government. Our goal is to get resources to the children that matter most. I have five kids, three of them are in public schools right now. I know the gentleman has children as well that are in public schools, and we take this matter very personally, Mr. Speaker. Our goal and our mission is to fix government in a way that allows the money that the American taxpayers spend really get to the children we care about, the children that deserve a chance in America.

Mr. HOEKSTRA. If the gentleman will yield for a moment, I will just correct one thing. My children are in a parochial school. So that is a little bit different.

But if we are talking about reinventing, I go back to this other account that the gentleman and I have had some real frustration with, which is the grant back account. The gentleman and I have on occasion, may have called it, or I think others have referred to it, as a slush account. This is a \$700 million account. The General Accounting Office went in and took a look at it, and out of this \$700 million, which is supposed to be designated only for money that comes back from

schools that have misused grants and it goes into this account and then those schools can reapply once they get things straightened out, out of the \$700 million that is in this account, only \$12 million of it was there under legitimate circumstances. The rest of it just kind of happened to find its way there. And when GAO said, how did it get here, they could not say how it got there. And when they spent it, they could not say where they had the authorization or where they had actually spent the money.

Then, when we compare that definition of reinventing government, I mean where the real reinvention and the real excitement and energy in education is happening today, it is at the State level and it is our local schools who are integrating technology, who are focusing on the needs of their kids. I do not think my colleague was in the Bronx with me in New York when we went to Cardinal Hayes High School, but this is one of the toughest areas; and here is a school that has reinvented itself and is doing some great things. They are turning out some great students in one of the toughest areas of New York City. And there are local schools all over the country each and every day that are reinventing themselves.

A lot of times, when we have talked to some of these schools, they tell us that the only thing that is standing between them reinventing themselves to the extent that they would like to, to meet the needs of their kids, a lot of time it is Federal rules and regulations that say they cannot go where they want to go.

□ 1900

So we have got a department in Washington that has reinvented an agency that cannot deliver. If the Vice President is really interested in reinventing education and reinventing government, what the Vice President needs to do is the Vice President needs to take a look at the reinvention and education that is going on at the local level.

We have been to 21 different States. That is where the excitement is. That is what the focus is on, kids and learning, rather than bureaucracy and paperwork.

Mr. SCHAFFER. Mr. Speaker, and that is the real message that I hope our colleagues will ponder, that we frankly do not look to the U.S. Department of Education, the Federal Government, to define the terms of quality in education across the country.

We do have 50 individual States, each a laboratory in and of themselves; and each that we see is free to be innovative, to weigh the risks of new programs and new ideas against the successful models and the record of their 49 counterparts and colleagues throughout the rest of the country. And States are in a better position to act more swiftly than the Federal Government is. States are closer to the people.

The elected officials are much more accountable than the bureaucrats down the street here from where we are here at the U.S. Department of Education. That is the front line. The States are the front lines of education reform.

And States differ. Some States have a more decentralized approach where local school districts are able to innovate each further at a more local level. Some States are a little more centrally controlled at their State capitals. But in no case should we ever not be willing to trust the future of our children and their ability to grow intellectually to a small group of folks here in Washington, D.C., over at the Department of Education whose goal today, facilitated by this centralized governing types down at today's White House, to collect this authority and power in Washington, D.C., to define the terms of quality, to define how a dollar will be spent in a classroom.

And of course, with the track record of the U.S. Department of Education, it is the last organization we should trust to get the Nation's precious resources and tax dollars to the children that we ultimately care about most.

This is an important topic for the whole country. The USA Today newspaper, I do not have the date on here, it was just a few days ago and I ripped this out of the bottom of the newspaper, this is a survey among Web users, and the top five problems in our society according to a survey of Internet users and of the people that they surveyed on the Internet, 37.7 percent identified education as the number one priority.

I contrast that with, again five priorities total, the next one was Government intrusion into people's lives. That was down at 10.2 percent. Then you have crime, political corruption, and rising health care costs, which trail just a few percents behind that. But given the huge number of individuals that responded, an overwhelming majority identified education as their top priority.

We are hearing this around the country that parents care about how much money they are spending on taxes, they care about the corruption and the lack of integrity we have seen in the White House over the last 8 years. They care about a strong national defense, they care about foreign policy, they care about the environment and health care and all the rest. But education repeatedly as a topic comes up as the number one concern among the people we speak with and have heard from as we travel around the country.

Mr. HOEKSTRA. Mr. Speaker, if we build off of how education is being reinvented around the country, recently my colleague and I were in Minnesota where they are talking about a plan that really reinvents some of their spending and focuses it around parents by giving them tax credits and tax deductions. So Minnesota is working on a reform plan.

Then we have been to Arizona, Michigan, California, at least three States

and two of them leading the way on charter schools, Arizona and the State of Michigan. And that is helping to improve all of education within those States. But they are experimenting with charter schools.

Then my colleague and I were in Florida together for a hearing. We were in Tampa. The State of Florida has taken it one step further where they are now actually creating charter school districts so that a whole school district can apply for a charter which says, our relationship now with the State is very, very different. We are not going to focus on bureaucracy and paperwork and process for a greater degree of freedom. What we are only going to focus on is learning.

And then Illinois has reached a unique arrangement with the Chicago public school system, which is one of the largest school systems in the country; and for all intents and purposes, they have created a large charter school relationship with the City of Chicago for their public schools. And again, what they said is, let us forget about all these categorical programs, because the only thing that we really want to focus on, so the State of Illinois rather than now funneling a whole bunch of separate checks to the City of Chicago, now really sends them two, sends them one for general operating and one for special education. And then what they say, on a yearly basis, we are going to come back and we want to review with you the actual results of kids' learning.

So those are the kind of reforms and the reinvention that is taking place at the State level. We have tried to do the same thing here in Washington by creating charter States where States can have a different relationship with the Federal Government that says we are going to do this as a pilot program, hopefully with 10 States, by giving them freedom to move dollars around from program to program; and Washington is no longer going to be going through these 219 steps for grants and audits and those types of things. What they are going to do is they are going to say, as a Federal Government, we are going to reinforce what you are trying to do at the State level, which is to focus on learning with children. That is where we need to go.

Mr. SCHAFFER. Mr. Speaker, it is an interesting thing. What we are really talking about is treating States like States rather than subjects of a centralized Federal Government.

Power was always meant, even by our Founders, to flow from the bottom up, not from the top down, in America. But with respect to the Department of Education, it was about the 1970s when President Carter occupied the White House that we saw the Department of Education begin to take that authority from States.

So here we are today on the House floor talking about the liberty and freedom that States deserve and rightfully possess to build schools that

reach out to children and talking about that almost in revolutionary terms. We have to wage a small war here in Washington simply to allow States to be treated like States.

And my colleague is right, we have seen all across the country great approaches. Governor Jeb Bush in Florida and Lieutenant Governor Frank Brogan in Florida have really led the way at providing real liberty and real freedom to local communities. And they do that based on results.

Those States that hold children in the greatest peril, school districts that are failing in Florida, are the first places they have started in Florida to begin to provide educational opportunity to parents. So you have parental choice in those districts.

I remember the woman we heard from, the mother from the inner city, I cannot remember what city she was from, but we heard her testimony in Tampa, and she came and said, you know, my school was failing. It was rated poorly by the State and failed a couple tests in a row. And the response from our State was to let me, the parent, decide where to send my child to school.

Now, she could have chosen to send her child to the same failing school, but she, like most parents, wanted something better. And so, she drove her child to a different neighborhood not too far from where she lived and found a school where her child was thriving. And she was almost to tears I remember in front of the committee with joy thanking the State of Florida, Governor Bush, Lieutenant Governor Brogan for passing this program in Florida that allowed this parent to be treated like a real customer for the first time and a program that allowed her child to be the center of attention, the center of emphasis in education, not the government school building, not the government employees who are part of a failed system, but to put children first.

That is a model that I think we are pushing for throughout the country and would like to encourage, but it needs to be driven by States.

I will provide one more example as to why we should not look to Washington to reform.

Mr. HOEKSTRA. Mr. Speaker, before my colleague goes there, yeah, the testimony that we had in Florida from that mother was awesome and a sharp contrast to the testimony that we received a couple of years earlier in New York City, where I believe a father came in and testified and said, 5 years ago I knew that the New York City schools were some of the worst schools in the country. But they had a 5-year plan to improve; and I had no choice, I had to send my child to the school that they told me she should go to. He said, it is now 5 years later and the schools are no better and, if anything, they may be worse, and they have got a new 5-year plan. I have no choice. But what if this 5-year plan does not work any

better than the last one? Then I have had my child in a failing school for 10 years, and I am going to lose my child.

And as excited and as close to tears as the woman was in Tampa because of the positive things that were happening, we saw the same thing in New York City on the other side, a father almost coming to tears saying, I have no choice. I know the schools are not any good, but have I got no choice and that is where my son or daughter is going to have to be. And what hope does my child have if they are going to be in a school that cannot teach them and that is where they spend the 10 or 11 years that are key and formulative in enabling them to get the basics?

So it is about people. It is not about bureaucracies. It is about parents. It is about kids, and it is about parents wanting to have the best opportunities for their kids, whether it is in the Bronx, whether it is in Cleveland, or whether it is in Tampa or whether it is in Colorado or Michigan.

Mr. SCHAFFER. And parents do want the basics for their children. I think most parents understand and if given a choice would choose the kind of schools that build for their children the kind of intellectual foundation that allows them to learn more and at exponential rates as they grow older and begin to grow in an academic setting.

I have got a question for my colleague, and that is the three R's. In Michigan I assume the 3 R's means about the same thing as it does in Colorado. What do the three R's mean to people in Michigan?

Mr. HOEKSTRA. Reading, writing, and arithmetic.

Mr. SCHAFFER. My parents, oddly enough, were educated in Michigan and grew up there. My father became a school teacher and that is what took him to Cincinnati, Ohio, where I was born. He taught all of his life until he just retired a few years ago.

When I grew up and went to school in Ohio, the three R's meant reading, writing, and arithmetic. That is what my father taught in the classroom, as well. And when I moved out to Colorado, that is the kind of education I was looking for for my children were schools with reading, writing, and arithmetic, the basic, most fundamental foundational of learning.

I mention all that and I kind of refer to the three R's that way because today, September 7, the Secretary of Education made a speech, it was his annual back-to-school address entitled "Times of Transition," he made the speech today before the National Press Club. I was going through this before I came over to find out what the Secretary of Education, and this is the person, for those who are unfamiliar, is the person who is the head of the U.S. Department of Education, this is the guy who is in charge.

Mr. HOEKSTRA. Who for 8 years has been in charge now. I think he is the longest serving member of the President's cabinet and has been there since

day 1 almost and in 3 weeks will deliver the third set of un-auditable books, or a failed audit, to the auditors.

Mr. SCHAFFER. That is right. And before I get to this, I will also add to that, what these failed audits represent is money failing to get to children in American schools. That is what matters the most.

Anyway, here is what he says today, the Secretary of Education, in his speech to the National Press Club: "We need to focus on what we like to call the three R's over at the Department of Education." You would think it would be reading, writing, and arithmetic like it is everywhere else in America. No, the three R's over at the Department of Education is relationships, resilience, and readiness. That is what the emphasis is over at the Department of Education.

Now, relationships, resilience and readiness are important things. I have no doubt about that. But in a Nation that squanders and wastes as much money as it does by giving it to the U.S. Department of Education and allowing that agency to get by without the ability to balance its books and the inability to get those precious dollars to children and a Nation that is lagging behind our international competitors in math and science, that is not right.

□ 1915

Mr. HOEKSTRA. For our colleagues, the information is clear on international testing. The U.S. comes out somewhere between 17th to 19th out of 21 industrialized countries. That is not good enough. That is not good enough for my kids. That is not good enough for your kids. On this, this is something that I am very selfish about. It is time to reinvent education so that our kids score the best in the world, and I hope everybody else in the world is on the same level as what we are; but it is unacceptable to have the rest of the world 1, 2, 3, 4, 5 and it is kind of like, hey, where is the U.S.? we are down here 17th, 19th. It is not good enough, and it is unacceptable.

Mr. SCHAFFER. My point being is that in a Nation where we have unacceptable national test scores in comparison to our peer nations as industrial countries, in a country where we know we have problems in education in America, Americans would expect and should expect the leader of the U.S. Department of Education to acknowledge that we have a problem, we have got to get serious about it, and we have got to get focused on fixing it. The way that we usually do that back in your State and the State I grew up in Ohio, and the State I live in now, Colorado, and in virtually all other States in the union is we start focusing on the basics, getting the money to children and start focusing on reading, writing, and arithmetic. We can add to that a little bit, science and history and so on and so forth. But over at the Department of Education, as of today, our new goal is

to redefine, to reinvent the three Rs to be relationships, resilience, and readiness. I am not making this up, Mr. Speaker.

Mr. HOEKSTRA. You get what you measure. If the Department of Education is now measuring relationships, resilience, and readiness, that is probably what we will get, at least from the programs and the emphasis, the programs that the Education Department funds. If that is reinventing government, I do not want it. I mean, I want my kids to know reading, writing and arithmetic. They need the basics.

Under the Department's definition of the three Rs, if we focus on, I cannot believe these three, relationships, resilience, and readiness, when we focus on those three, we get the fourth R, which is what we have also seen as we go around the country, we get remediation. When you focus on relationships, resilience, and readiness, we are going to get remediation. What is remediation? What remediation is, and this is when we have gone to our colleges and we find that one of the fastest growing programs on college campuses today is remediation because kids entering college cannot read or write at a ninth or 10th grade level or an eighth, ninth or 10th grade level, which means when they get to college they have got to be remediated to get their learning up to that level. And if remediation is one of the fastest growing programs on campus today, then it is time for us to re-evaluate as to whether relationships, resilience, and readiness are what we need to be focusing on.

Mr. SCHAFFER. I do not want to denigrate these concepts. These are important things, obviously. But for anyone in a position such as the Secretary of Education in the Clinton administration is, for anyone to be in the position that he is, to define for the Nation these goals as a replacement for the basics in education, it is an indication of why we are in trouble in America and why the U.S. Department of Education is frankly incapable of being part of the solution. It nine times out of 10 is actually the source of the problem. We just need to let professional teachers do the job they are trained to do and let parents have the liberty and freedom to place their children in the kinds of academic settings that earn the confidence of knowledgeable, loving parents. These are the people, after all, who know the names of the children and care about them most. I guarantee you that the Secretary of Education does not know the names of my kids, and he would have a good fight on his hands if he wanted to presume he cared about them more than I did.

Mr. HOEKSTRA. But this is reinventing government from maybe the Vice President's perspective, I am assuming that this is the position of the administration, this is the longest serving Cabinet member; and this is how they have now reinvented government, moving from the Department of Education which should be saying our,

I would think close to our only, our most important goal is academic excellence for each and every one of our children and we are not going to leave one behind and we are going to allow every child to achieve their full potential.

What we are now going to have under these measurements is a bunch of children who are going to have great relationships, they are going to be able to get along well, they are going to be prepared for not being able to have the basics and they are going to be able to bounce back and be resilient. This is not brain surgery. The Department of Education should be striving for academic excellence in each and every school in this country.

Mr. SCHAFFER. These are good goals, but they really mean a lot more if you are smart on top of that. There may be some citizens, some of our constituents perhaps, who would prefer that relationships, resilience, and readiness as the Clinton administration states should be more important and the goal of education rather than reading, writing and arithmetic, science, history and all the rest. I think there ought to be a school for those parents. I think there ought to be places around the country where teachers who agree with Secretary Riley, where Secretary Riley can send his grandkids, I suppose, where people who agree that these concepts are more important than real learning can send their own kids.

The problem is you have somebody with a goofy idea here in Washington that wants to impose these values on your children, my children, everybody else's children and it is just wrong. We do not get to vote for Secretary of Education. This is an appointed person. He does not hold town meetings in my neighborhood like I do or in your district like you do. He is not accountable to anyone in my district or anyone who is a parent of these kids who he thinks should be focusing on relationships, resilience, and readiness.

Mr. HOEKSTRA. Let us cut the Secretary a little bit of slack. We know exactly what he is talking about. Relationships. When you go into the workforce today, you recognize that many companies today are talking about participative management; they are talking about team concepts, being able to work in groups and those types of things and that is the relationship factor. But also coming out of a company that focused very heavily on teamwork, participative management and those types of things, you also knew that for somebody to get on the team, they had to have the basic skills to do the job and the assignment that they were given as part of that team. They did not get on the team because they could really relate well to you and because they were ready and because they were resilient. They were on the team first and foremost because they had the skills to do the job that was required, and the teamwork part came second.

But the first criteria was do they have the skills to get the job done? And I think in some cases that is maybe where the Secretary is just moving off track here, is we have got to work with our kids to make sure they know the basics before we move on to some of these other issues.

Mr. SCHAFFER. I think these nutty ideas that come out of the Clinton-Gore administration provide a more clear emphasis on the need for choice, for parental choice, for parental involvement in academic settings. That is frankly where the liberals in the Democrat Party and the more moderate and conservative Members who are on the Republican side of the aisle differ with respect to our approach on education. We on the Republican side genuinely believe that we can trust parents. We genuinely believe that when you elect a local school board member to make decisions about what the curriculum should be, about how much a teacher should be paid, about whether a scarce tax dollar should be spent buying a new bus or repairing the roof or maybe giving the teacher a pay raise, that those are the folks that can be trusted.

We do not need to be second-guessing them every day here in Washington, D.C. That is the real battle that takes place. It is unfortunate that so often it is misrepresented in the press or by our opponents or the media, in other words. Our goals are probably fundamentally the same. We want to build an education system in America that helps children. We favor a decentralized model that is decentralized right down to the last school, even beyond that, even for those who want to educate their children in their own homes, in their church school, or wherever they want to educate them. We want to allow this marketplace of competitive ideas to take place, versus our Democrat friends, the Clinton-Gore model of centralized authority here in Washington where left-wing ideas out of their bureaucratic agencies come to define the failing terms for children all across America.

Mr. HOEKSTRA. I think what we are also saying is that by empowering parents, that if in the local community you have got a school superintendent or a school that says, our model and our priorities, we are going to match what the Department of Education, what Secretary Riley is promoting, our school is going to focus on relationships, resiliency and readiness; and if you have got another school saying we are focused on the basics and when your children leave our school, they are going to be at class proficiency or grade proficiency in reading, writing and math and, as a matter of fact, our objective is to have your kids at one or two levels above grade proficiency in each of those areas, a parent at that point in time should have the option of saying, for what I really want for my kids, that is the school I want to go to. Maybe some will choose the Sec-

retary's model, and they will have the opportunity to go to that type of school. But we should not have a top-down approach from Washington saying this is what every school district is going to focus on.

Mr. SCHAFFER. You mentioned earlier, in 3 weeks the U.S. Department of Education is going to announce that they have failed another audit, that once again they have done a poor job of accounting for the billions, almost \$130 billion that they manage, that they cannot account for it very well, the kind of audit that would result in a private company's stock crashing through the floor.

Yet our Department of Education, after coming to Congress and saying we cannot audit our books, then when they did bring us an audit for the subsequent year, 1999, they got an F. Now they are going to bring us another audit that they will fail again. That is a tragic event. It is important to note, though, because what such rampant and wholesale mismanagement of funds really represents is, one, a tremendous amount of sacrifice by the American people who work hard to pay taxes and send them here to Washington, D.C. in hopes that we are going to do something responsible with them. Secondly, it suggests that people in Washington do not take those tax dollars seriously. Third, it suggests that people in Washington do not take the children seriously who are affected by this waste, fraud and abuse in the Department of Education.

Finally, what it suggests is that there are billions of dollars that American taxpayers send to Washington, D.C. that will never get near a child, who like every child in America is repeatedly exploited by the bureaucracy here in Washington to get one more dollar out of the taxpayers' pocket for the children. Yet some of those folks over there have no intention of doing anything different that will result in those dollars really helping children. That is what we are here to try to fix. That is what we want to help. As we travel around the country, that is what we hear school board members say. They do not say, spend more on education. They say, get the money to us. We know what we are doing. We are trained for this. We are elected for this. We know your children and we are professionals. Just get us the money and get out of the way and we will produce results. And when we do that, we know that they are right. Schools do perform better when they have fewer strings, fewer regulations, fewer government agents and bureaucrats snooping around in their files and in their classrooms and getting in the way.

Mr. HOEKSTRA. And they will have a clean audit.

Mr. SCHAFFER. Yes. And with fewer responsibilities and more dollars passing through to the States and the school districts, it will be easier for the, I do not know how many accountants, hundreds of accountants over

there in the Department of Education to be able to come back to this Congress and say, the money got to children, we can show you, we can prove it, congratulations, job well done. We are a long way from that goal, but that is our dream.

□ 1730

I am about ready to yield back the balance of my time, and I did not know if my colleague from Colorado (Mr. SCHAFFER) wanted to talk about any other issues tonight.

Mr. SCHAFFER. Mr. Speaker, there is one topic I would like to bring up only because we have adjourned and there is no business left for the rest of the week, and we will be back next week; but I wanted to point out a piece of legislation that was introduced by the Democrats prior to our 1-month recess. It was a bill introduced on July 19 by the gentlewoman from California (Ms. WOOLSEY).

This is a bill, and I will just read the title of it, it is H.R. 4892, to repeal the Federal charter of the Boy Scouts of America. This is a bill, Mr. Speaker, I hope we will all focus on and look at its pernicious motives and also take a look at the legislation's effort to try to pull the rug out from underneath one of the most important civic charitable organizations in our country, the Boy Scouts of America.

This is a bill that is designed to end the Boy Scouts of America. This is an organization that for many, many years, I think 1916 was the year the Scouts was started, I have some statistics on the organization, 90 years ago, that for many, many years has trained and nurtured many young boys and has taught them to become responsible young men and adults in our community and in our society; and because of the intolerance, because of the bigotry of some Members of Congress, they have seen fit to go on a rampage to try to eliminate the Boy Scouts of America and revoke their charter.

It is irresponsible, and I hope it is something that our President and Vice President and others will speak out on and let us know where their sentiments lie, what their positions are, where they stand with respect to the Boy Scouts of America.

I have one son who is a member of the Boy Scouts. It is a remarkable organization that has made a dramatic difference in his life. And this is all about the Boy Scout charter and its mission to try to promote the morals and values and teaching skills that will help them throughout their lifetimes.

And for anyone here in this Congress or throughout the rest of the country to attack the Scouts for such a noble mission is just inexcusable and one that I assure all of those Scouts who are concerned about the issue and others who are concerned about the future of the Boy Scouts that there are many Members of Congress that will rise and come to the aid of this important organization.

This is an issue that the critics of the Boy Scouts somehow suggest that the organization lacks a certain amount of diversity, which is not true. If we just go to the Boy Scout Web site and look at their policy statement on diversity, it says more than 90 years ago the Boy Scouts of America was founded on the premise of teaching boys moral and ethical values through an outdoor program that challenges them and teaches them respect for nature, one another and themselves. Scouting has always represented the best in community, leadership and service.

The Boy Scouts of America has selected its leaders using the highest standards because strong leaders and positive role models are so important to the healthy development of youth. Today, the organization still stands firm that their leaders exemplify the values outlined in the Scout oath and law.

It goes on, on June 28, 2000, the United States Supreme Court reaffirmed that the Boy Scouts of America's standing as a private organization with the right to set its own membership and leadership standards.

The Boy Scouts say here in their policy statement that Boy Scouts of America respects the rights of people and groups who hold values that differ from those encompassed in the Scout oath and law, and the BSA makes no effort to deny the rights of those whose views differ to hold their attitudes or opinions.

It goes on, it is a very nice statement, one that I think the Scouts should be proud of, and that all of us here in Congress should keep in mind when this unfortunate legislation makes its way through the process to revoke the charter of the Boy Scouts of America, because the Democrats have decided that this is an organization that no longer warrants support from the Congress and from the Federal Government.

So my message to Members is there is a large and growing coalition of us who will rise to the defense of the Scouts and do everything we can to make sure that the young men that are part of the organization are led by competent, capable, trustworthy leaders that are able to conduct themselves in a way that is consistent with the Scout oath.

I just want to mention that, Mr. Speaker, for the RECORD it is a very serious issue and it is unfortunate that we have to have this debate, and I think it is going to probably escalate in terms of the intensity as time goes on.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. JEFFERSON (at the request of Mr. GEPHARDT) for today on account of official business.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BENTSEN) to revise and extend their remarks and include extraneous material:)

Mr. INSLEE, for 5 minutes, today.

Mr. BENTSEN, for 5 minutes, today.

Ms. STABENOW, for 5 minutes, today.

(The following Members (at the request of Mr. DUNCAN) to revise and extend their remarks and include extraneous material:)

Mr. METCALF, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

Mr. WOLF, for 5 minutes, today.

#### ADJOURNMENT

Mr. HOEKSTRA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 36 minutes p.m.), under its previous order, the House adjourned until Monday, September 11, 2000, at noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

9890. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-402, "Closing of a Portion of a Public Alley in Square 4337, S.O. 95-94, Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9891. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-385, "Steve Sellow Way, N.E., Designation Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9892. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-384, "Andrew J. Allen Way, N.E. Designation Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9893. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-396, "Seniors Protection Amendment Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9894. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-386, "Diabetes Health Insurance Coverage Expansion Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9895. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-397, "Environmental License Tag Amendment Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9896. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-399, "Water and Sewer Authority Collection Enhancement Amend-

ment Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9897. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-400, "Conflict of Interest Amendment Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9898. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-401, "Reinsurance Credit and Recovery Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9899. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-404, "Insurance Agents and Brokers Licensing Revision Amendment Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9900. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-403, "Metrobus Ticket Transfer Amendment Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9901. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-389, "Drug Abuse, Alcohol Abuse, and Mental Illness Insurance Coverage Amendment Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9902. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-387, "State Education Office Establishment Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9903. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-418, "Freedom From Cruelty to Animals Protection Amendment Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9904. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-407, "Insurer and Health Maintenance Organization Self-Certification Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9905. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-406, "Sentencing Reform Amendment Act of 2000" received September 07, 2000, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

9906. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Kentucky Regulatory Program [KY-226-FOR] received August 31, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9907. A letter from the Assistant Director, Communications, Bureau of Land Management, Department of the Interior, transmitting the Department's final rule—Notice of Interim Final Supplementary Rules on Public Land in Utah [UT-030-1652-PA-24 1A] (RIN: 1004-AD40) received August 31, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9908. A letter from the Acting Director, Office of General Counsel & Legal Policy, Office of Government Ethics, transmitting the Office's final rule—Proposed Exemption

Amendments Under 18 U.S.C. 208(b)(2) for Financial Interests in Sector Mutual Funds, De Minimis Securities, and Securities of Affected Nonparty Entities in Litigation (RIN: 3209-AA09) received August 31, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. S. 624. An act to authorize construction of the Fort Peck Reservation Rural Water System in the State of Montana, and for other purposes; with an amendment (Rept. 106-823). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1124. A bill to authorize construction of the Fort Peck Reservation Rural Water System in the State of Montana, and for other purposes; with an amendment (Rept. 106-824). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3632. A bill to revise the boundaries of the Golden Gate National Recreation Area, and for other purposes; with an amendment (Rept. 106-825). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3745. A bill to authorize the addition of certain parcels to the Effigy Mounds National Monument, Iowa; with an amendment (Rept. 106-826). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 2163. A bill to designate the United States courthouse located at 500 Pearl Street in New York City, New York, as the "Ted Weiss United States Courthouse"; with amendments (Rept. 106-827). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. S. 1794. An act to designate the Federal courthouse at 145 East Simpson Avenue in Jackson, Wyoming, as the "Clifford P. Hansen Federal Courthouse" (Rept. 106-828). Referred to the House Calendar.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2984. A bill to direct the Secretary of the Interior, through the Bureau of Reclamation, to convey to the Loup Basin Reclamation District, the Sargent River Irrigation District, and the Farwell Irrigation District, Nebraska, property comprising the assets of the Middle Loup Division of the Missouri River Basin Project, Nebraska; with an amendment (Rept. 106-829). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1460. A bill to amend the Ysleta del Sur Pueblo and Alabama and Coshatta Indian Tribes of Texas Restoration Act to decrease the requisite blood quantum required for membership in the Ysleta del Sur Pueblo tribe (Rept. 106-830). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1751. A bill to establish the Carrizo Plain National Conservation Area in the State of California, and for other purposes; with an amendment (Rept. 106-831). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2674. A bill providing for conveyance of the Palmetto Bend project to the State of Texas; with an amendment (Rept.

106-832). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3388. A bill to promote environmental restoration around the Lake Tahoe basin; with an amendment (Rept. 106-833 Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. LEACH: Committee on Banking and Financial Services. H.R. 1161. A bill to revise the banking and bankruptcy insolvency laws with respect to the termination and netting of financial contracts, and for other purposes; with an amendment (Rept. 106-834 Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

#### DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X Committees on the Judiciary and Commerce discharged. H.R. 1161 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Pursuant to clause 5 of rule X Committees on Agriculture and Transportation and Infrastructure discharged. H.R. 3388 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

#### TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 1161. Referral to the Committees on the Judiciary and Commerce extended for a period ending not later than September 7, 2000.

H.R. 3388. Referral to the Committees on Agriculture and Transportation and Infrastructure extended for a period ending not later than September 7, 2000.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. CALVERT:

H.R. 5120. A bill to amend the Small Reclamation Projects Act of 1956 to establish a partnership program in the Bureau of Reclamation for small reclamation projects, and for other purposes; to the Committee on Resources.

By Mr. SHAW:

H.R. 5121. A bill to authorize a comprehensive Everglades restoration plan; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BLILEY:

H.R. 5122. A bill to amend the Health Care Quality Improvement Act of 1986 to provide for the availability to the public of information reported to the National Practitioner Data Bank under such Act, to establish additional reporting requirements, and for other purposes; to the Committee on Commerce.

By Mr. TANCREDO:

H.R. 5123. A bill to require the Secretary of Education to provide notification to States and State educational agencies regarding the availability of certain administrative funds to establish school safety hotlines; to the Committee on Education and the Workforce.

By Mr. BALDACCI:

H.R. 5124. A bill to designate the facility of the United States Postal Service located at

14 Municipal Way in Cherryfield, Maine, as the "Gardner C. Grant Post Office"; to the Committee on Government Reform.

By Mr. BEREUTER:

H.R. 5125. A bill to amend the Agricultural Market Transition Act to provide for the payment of special loan deficiency payments to producers who are eligible for loan deficiency payments, but who suffered yield losses due to damaging weather or related condition in a federally declared disaster area; to the Committee on Agriculture.

By Mrs. CHRISTENSEN (for herself, Mr. ROMERO-BARCELO, Mr. UNDERWOOD, and Mr. FALCOMA):

H.R. 5126. A bill to amend titles XI and XIX of the Social Security Act to remove the cap on Medicaid payments for Puerto Rico, the Virgin Islands, Guam, and American Samoa and to adjust the Medicaid statutory matching rate for those territories; to the Committee on Commerce.

By Mrs. CHRISTENSEN:

H.R. 5127. A bill to amend the Harmonized Tariff Schedule of the United States with respect to the production incentive certificate program for watch and jewelry producers in the United States Virgin Islands, Guam, and American Samoa; to the Committee on Ways and Means.

By Mr. COLLINS (for himself and Mr. NEAL of Massachusetts):

H.R. 5128. A bill to amend the Internal Revenue Code of 1986 to allow distilled spirits wholesalers a credit against income tax for their cost of carrying Federal excise taxes prior to the sale of the product bearing the tax; to the Committee on Ways and Means.

By Mr. DEUTSCH:

H.R. 5129. A bill to amend the Internal Revenue Code of 1986 to increase the unified credit against estate and gift taxes to the equivalent of a \$5,000,000 exclusion and to provide an inflation adjustment of such amount; to the Committee on Ways and Means.

By Mr. DOOLITTLE (for himself, Mr. CALVERT, Mr. POMBO, Mr. RADANOVICH, Mr. PACKARD, and Mr. THOMAS):

H.R. 5130. A bill to authorize the Secretary of the Interior to provide cost sharing for the CALFED water enhancement programs in California; to the Committee on Resources, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FILNER:

H.R. 5131. A bill to require the Federal Energy Regulatory Commission to roll back the wholesale price of electric energy sold in the Western System Coordinating Council, and for other purposes; to the Committee on Commerce.

By Mr. FRELINGHUYSEN (for himself, Mrs. KELLY, Mr. FRANKS of New Jersey, Mr. GILMAN, Mr. HINCHEY, Mrs. ROUKEMA, Mr. SAXTON, Mrs. MCCARTHY of New York, Mr. KING, Mr. LOBIONDO, Mr. PALLONE, Mr. PASCRELL, Mr. LAZIO, Mr. CROWLEY, Mr. WEINER, Mr. SWEENEY, Mr. FOSSELLA, Mr. SERRANO, Mr. SMITH of New Jersey, Mr. MEEKS of New York, Mr. PAYNE, Mr. MENENDEZ, Mr. ANDREWS, Mr. KLECZKA, and Mr. ROTHMAN):

H.R. 5132. A bill to amend title 38, United States Code, to establish a comprehensive program for testing and treatment of veterans for the Hepatitis C virus; to the Committee on Veterans' Affairs.

By Mr. GILCHREST:

H.R. 5133. A bill to amend the National Oceanic and Atmospheric Administration Authorization Act of 1992 to revise and enhance authorities, and to authorize appropriations, for the Chesapeake Bay Office, and for other purposes; to the Committee on Resources.

By Mr. KINGSTON:

H.R. 5134. A bill to designate the facility of the United States Postal Service located at 219 South Church Street in Odum, Georgia, as the "Ruth Coleman Post Office"; to the Committee on Government Reform.

By Mr. LEWIS of Georgia (for himself, Mr. BARR of Georgia, Mr. BISHOP, Mr. CHAMBLISS, Mr. COLLINS, Mr. DEAL of Georgia, Mr. ISAKSON, Mr. KINGSTON, Mr. LINDER, Ms. MCKINNEY, and Mr. NORWOOD):

H.R. 5135. A bill to designate a fellowship program of the Peace Corps promoting the work of returning Peace Corps volunteers in underserved American communities as the "Paul D. COVERDELL Fellows Program"; to the Committee on International Relations.

By Mr. MCCOLLUM:

H.R. 5136. A bill to make permanent the authority of the Marshal of the Supreme Court and the Supreme Court Police to provide security beyond the Supreme Court building and grounds; to the Committee on the Judiciary.

By Mr. MICA (for himself, Ms. ROYBAL-ALLARD, Mr. WOLF, Mr. WAXMAN, Ms. PELOSI, Mr. HOYER, Mr. WAMP, Mr. RAMSTAD, Mr. PORTMAN, Mr. BROWN of Ohio, Mr. MARKEY, Mr. DAVIS of Virginia, Mrs. CAPPS, Mr. HINCHEY, Mrs. LOWEY, Mr. REYES, and Mrs. MORELLA):

H.R. 5137. A bill to amend the Public Health Service Act to provide for a national media campaign to reduce and prevent underage drinking in the United States; to the Committee on Commerce.

By Mr. MORAN of Kansas:

H.R. 5138. A bill to amend the Internal Revenue Code of 1986 to increase the unified credit against estate and gift taxes to the equivalent of \$4,000,000; to the Committee on Ways and Means.

By Mr. NORWOOD:

H.R. 5139. A bill to provide for the conveyance of certain real property at the Carl Vinson Department of Veterans Affairs Medical Center, Dublin, Georgia; to the Committee on Veterans' Affairs.

By Mr. PALLONE:

H.R. 5140. A bill to amend title XVIII of the Social Security Act to provide for coverage of pharmaceutical care services under part B of the Medicare Program; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SPRATT:

H.R. 5141. A bill to direct the Secretary of Agriculture to release the reversionary interest of the United States in certain land located in Sumter County, South Carolina, to facilitate a land exchange involving that land and to provide for an exchange of the mineral interests of the United States in that land; to the Committee on Agriculture, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STARK:

H.R. 5142. A bill to amend title XVIII of the Social Security Act to provide under contract with a Medicare carrier for an official

website through which Medicare beneficiaries and others can obtain Internet access to safe and competitively priced domestic and international prescription drugs, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WHITFIELD (for himself and Mrs. NORTHUP):

H.R. 5143. A bill to designate the facility of the United States Postal Service located at 3160 Irvin Cobb Drive, in Paducah, Kentucky, as the "Morgan Station"; to the Committee on Government Reform.

By Mr. WHITFIELD (for himself and Mrs. NORTHUP):

H.R. 5144. A bill to designate the facility of the United States Postal Service located at 203 West Paige Street, in Tompkinsville, Kentucky, as the "Tim Lee Carter Post Office Building"; to the Committee on Government Reform.

By Mr. BOEHLERT (for himself and Ms. SLAUGHTER):

H. Con. Res. 391. Concurrent resolution recognizing the contributions of Susan B. Anthony and Elizabeth Cady Stanton to the women's suffrage movement; to the Committee on the Judiciary.

By Mr. FORBES (for himself, Mr. FOSSELLA, Mrs. CAPPS, Ms. DANNER, Mr. BROWN of Ohio, Mr. MARTINEZ, Mr. McNULTY, Mr. HOYER, Mr. MCGOVERN, Mr. FROST, and Mr. LIPINSKI):

H. Con. Res. 392. Concurrent resolution expressing the sense of the Congress that a postage stamp should be issued in recognition of the services rendered by this Nation's volunteer firefighters; to the Committee on Government Reform.

By Mr. LAMPSON:

H. Con. Res. 393. Concurrent resolution expressing the sense of the Congress in remembrance of the 100th anniversary of the devastating hurricane which struck Galveston, Texas, on September 8, 1900; to the Committee on Government Reform.

#### ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 49: Mr. MORAN of Virginia, Mr. DOYLE, and Mr. PRICE of North Carolina.

H.R. 148: Ms. VELAZQUEZ.

H.R. 207: Ms. PRYCE of Ohio.

H.R. 303: Mr. MCKEON.

H.R. 306: Mr. REYES.

H.R. 353: Mr. TURNER, Mr. REYES, and Mr. PICKERING.

H.R. 355: Mr. GEORGE MILLER of California.

H.R. 372: Mr. HYDE and Mr. JONES of North Carolina.

H.R. 488: Mrs. JOHNSON of Connecticut.

H.R. 531: Mr. HOBSON, Mr. SHADEGG, Mr. MCKEON, Mrs. WILSON, Mr. CHABOT, Mr. GREEN of Wisconsin, and Mr. SANDERS.

H.R. 534: Ms. DANNER.

H.R. 762: Mr. GALLEGLY.

H.R. 796: Mr. PORTMAN.

H.R. 865: Mr. BLILEY, Mr. WELDON of Florida, and Mr. PRICE of North Carolina.

H.R. 1039: Mr. COX.

H.R. 1071: Mr. LOWEY.

H.R. 1187: Mr. BECERRA and Mr. HALL of Texas.

H.R. 1188: Mr. BORSKI.

H.R. 1239: Mr. LAZIO, Mr. BASS, and Mrs. ROUKEMA.

H.R. 1303: Mr. ROGAN, Ms. RIVERS, and Mr. HOBSON.

H.R. 1344: Mr. DAVIS of Illinois and Mr. GOODE.

H.R. 1358: Mr. MOORE.

H.R. 1387: Mr. SHAYS.

H.R. 1396: Mr. HINCHEY, Mr. DELAHUNT, Mr. BORSKI, and Ms. ROYBAL-ALLARD.

H.R. 1399: Mr. REYES.

H.R. 1424: Mr. PASCARELL.

H.R. 1514: Mr. ABERCROMBIE.

H.R. 1621: Mr. BECERRA, Mr. ORTIZ, Mr. BALLENGER, Mr. WATT of North Carolina, Mr. SERRANO, Mr. SCOTT, Mr. GILMAN, Mr. ROEMER, Mr. DEUTSCH, and Mr. LEVIN.

H.R. 1623: Mr. VELAZQUEZ.

H.R. 1640: Mrs. DELAURO and Mr. ANDREWS.

H.R. 1690: Mr. PALLONE.

H.R. 1732: Mr. LAZIO.

H.R. 1795: Mr. DEFazio, Mr. DOYLE, Mr. SHADEGG, and Mr. EHRlich.

H.R. 1871: Mr. GALLEGLY.

H.R. 1941: Mr. EVANS.

H.R. 2121: Ms. DANNER and Mr. UDALL of New Mexico.

H.R. 2263: Mr. HOUGHTON.

H.R. 2308: Mr. ERNER.

H.R. 2341: Mrs. CRAMERSON.

H.R. 2380: Mr. MOORE.

H.R. 2446: Ms. KILPATRICK.

H.R. 2457: Mr. KIND, Mr. LANTOS, Mr. VENTO, Mr. COSTELLO, Mr. REYES, and Mr. BOYD.

H.R. 2505: Mr. LAMPSON.

H.R. 2564: Mr. RAHALL.

H.R. 2581: Mr. WYNN.

H.R. 2624: Mr. SABO.

H.R. 2640: Mr. OBERSTAR.

H.R. 2702: Mr. SMITH of Washington.

H.R. 2710: Mr. UDALL of Colorado, Ms. BALDWIN, and Mr. CAPUANO.

H.R. 2720: Mr. GILLMOR.

H.R. 2722: Mr. SHAYS.

H.R. 2749: Mr. CRANE.

H.R. 2785: Mr. TOOMEY.

H.R. 2870: Mr. SAWYER, Mr. WEXLER, Mr. GEJDENSON, and Mr. PALLONE.

H.R. 2880: Mr. HOUGHTON.

H.R. 3082: Mr. COBLE.

H.R. 3105: Mr. BROWN of Ohio, Mr. WEYGAND, Mr. BONIOR, and Ms. LEE.

H.R. 3142: Mr. NETHERCUTT.

H.R. 3144: Mr. SAXTON.

H.R. 3235: Mr. KILDEE.

H.R. 3249: Mr. UDALL of New Mexico, Mr. THOMPSON of California, Mr. PRICE of North Carolina, Mr. GUTIERREZ, Mr. SHAYS, Ms. DELAURO, and Mr. CLAY.

H.R. 3256: Mr. SMITH of Washington.

H.R. 3302: Mr. STENHOLM, Mr. GEKAS, Mr. STUMP, Mr. WHITFIELD, Mr. MICA, and Mr. PHELPS.

H.R. 3408: Mr. CALLAHAN.

H.R. 3433: Mr. GUTIERREZ and Mr. CAPUANO.

H.R. 3466: Mr. MOORE.

H.R. 3514: Mr. LATOURETTE, Mr. ENGLISH, Mr. FLETCHER, Mr. LARSON, and Mr. JONES of North Carolina.

H.R. 3580: Mr. COMBEST, Mr. GIBBONS, Mr. SESSIONS, Mr. DEMINT, Ms. MILLENDER-MCDONALD, Mr. TAYLOR of North Carolina, Ms. PELOSI, Mr. SHADEGG, and Mr. LAMPSON.

H.R. 3594: Mr. BERRY, Mr. SANFORD, and Mr. BONILLA.

H.R. 3602: Mr. CAMP.

H.R. 3612: Mr. COX.

H.R. 3650: Ms. VELAZQUEZ, Mrs. MCCARTHY of New York, Mr. HOLT, Ms. DELAURO, and Mr. TIERNEY.

H.R. 3679: ADERHOLT, Mr. BACA, Mr. BONILLA, Mr. BOUCHER, Mr. BUYER, Mr. CARDIN, Mr. CASTLE, Mr. COBURN, Mr. DIAZ-BALART, Mr. DICKEY, Mr. GANSKE, Mr. GOSS, Mr. HOEKSTRA, Mr. HULSHOF, Mr. INSLEE, Mr. ISTOOK, Mrs. JOHNSON of Connecticut, Mr. KILDEE, Mr. MCCRERY, Mrs. MINK of Hawaii, Mr. NADLER, Mr. PASTOR, Mr. PEASE, Ms. PELOSI, Mr. PORTMAN, Ms. PRYCE of Ohio, Mr. ROGERS, Ms. ROS-LEHTINEN, Mr. ROTHMAN, Mrs. ROUKEMA, Mr. SERRANO,

Mr. SOUDER, Ms. STABENOW, Mr. STENHOLM, Mr. SUNUNU, Mr. TERRY, Mr. THOMPSON of Mississippi, Mr. UNDERWOOD, Mr. WATT of North Carolina, Mr. WEXLER, Mrs. WILSON, Ms. SCHAKOWSKY, and Mr. LARSON.

H.R. 3681: Mr. BISHOP, Mr. GEJDENSON, and Ms. JACKSON-LEE of Texas.

H.R. 3700: Mr. HOLT, Mr. GEORGE MILLER of California, Mr. FATTAH, Mr. WAXMAN, Mr. TANNER, Mr. SAWYER, and Ms. MCCARTHY of Missouri.

H.R. 3712: Mr. QUINN and Mrs. MORELLA, Mr. ALLEN, and Mr. KLING.

H.R. 3887: Mr. FORBES and Mr. RAHALL.

H.R. 4046: Mr. GUTIERREZ and Mr. HOEFFEL.

H.R. 4066: Mrs. CAPPS and Mr. SABO.

H.R. 4167: Mr. BOUCHER, Mr. MARKEY, Mr. JEFFERSON, Mr. MORAN of Virginia, Ms. VELAZQUEZ, Mr. MOORE, and Mr. CAPUANO.

H.R. 4192: Mr. CASTLE.

H.R. 4211: Mr. ANDREWS.

H.R. 4215: Mr. RILEY, Mr. ETHERIDGE, Mr. HOSTETTLER, Mr. SPENCE, and Mr. DELAY.

H.R. 4259: Mr. JONES of North Carolina, Mr. LUCAS of Kentucky, Mr. OLVER, and Mr. GEJDENSON.

H.R. 4245: Mr. HANSEN.

H.R. 4259: Mr. BLUMENAUER, Mr. CONYERS, Mr. McDERMOTT, Mr. DEAL of Georgia, and Ms. SCHAKOWSKY.

H.R. 4274: Mr. CAMP and Mr. RANGEL.

H.R. 4292: Mr. HUNTER.

H.R. 4301: Mr. STARK, Mr. TANCREDO, Mr. GOODE, and Mr. HALL of Texas.

H.R. 4308: Mr. MICA.

H.R. 4328: Mr. OBERSTAR.

H.R. 4346: Ms. MCKINNEY, Mr. MENENDEZ,

Mr. McDERMOTT, Mr. THOMPSON of Mississippi, Mr. HOLDEN, Ms. MCCARTHY of Missouri, Ms. VELAZQUEZ, Mr. CAPUANO, and Mr. OLVER.

H.R. 4366: Ms. BALDWIN.

H.R. 4390: Ms. DELAURO.

H.R. 4395: Mrs. FOWLER, Mr. LEWIS of Kentucky, Mr. MINGE, Mr. SWEENEY, Mr. ROMERO-BARCELO, Mr. BARTON of Texas, Mr. PALLONE, Mr. LUTHER, Mr. PORTMAN, Mr. SAWYER, Mr. MCGOVERN, and Mr. PASCRELL.

H.R. 4412: Mr. NADLER.

H.R. 4415: Mr. SMITH of Washington.

H.R. 4416: Mr. RAHALL, Mr. ABERCROMBIE, Ms. KILPATRICK, Mr. MCHUGH, Mr. RUSH, Mr. ROMERO-BARCELO, Mrs. JONES of Ohio, Mrs. MEEK of Florida, Mr. SCOTT, Mrs. CLAYTON, and Mr. SAWYER.

H.R. 4434: Mr. CRAMER, Mr. McNULTY, Mr. FORBES, Mr. LAZIO, Mr. ANDREWS, Mr. STRICKLAND, Mr. BOEHLERT, Mrs. MCCARTHY of New York, and Mr. STUPAK.

H.R. 4481: Mr. JEFFERSON, Mr. SERRANO, Mr. KILDEE, Ms. MILLENDER-MCDONALD, Mr. WATKINS, Mr. DOYLE, Mr. KLING, Mr. ENGEL, Mr. BLAGOJEVICH, Mr. KLECZKA, Mr. BALDACCI, and Mr. STUPAK.

H.R. 4539: Mr. LOBIONDO.

H.R. 4543: Mr. DREIER and Mrs. BIGGERT.

H.R. 4548: Mr. HERGER, Mr. GEKAS, Mr. GILLMOR, and Mr. BASS.

H.R. 4571: Mr. OXLEY, Mr. MATSUI, Mr. ABERCROMBIE, Mr. CANADY of Florida, and Mr. HINCHEY.

H.R. 4587: Mr. CAMPBELL.

H.R. 4596: Mr. THOMPSON of Mississippi and Mr. MCGOVERN.

H.R. 4614: Mr. EVANS and Mr. FILNER.

H.R. 4633: Mr. HUTCHINSON.

H.R. 4636: Mr. PICKETT.

H.R. 4649: Mr. GEJDENSON, Mr. DEFazio, Mr. BRADY of Pennsylvania, Mr. JACKSON of Illinois, Mr. BACA, Ms. MCKINNEY, Mr. GILLMOR, and Mr. McNULTY.

H.R. 4654: Mr. DUNCAN, Mr. HASTINGS of Washington, Mr. PAUL, and Mr. WALDEN of Oregon.

H.R. 4707: Mr. WALSH, Mr. SANDLIN, Ms. LEE, Ms. SCHAKOWSKY, Mr. STARK, Mr. BERMAN, Mr. MCGOVERN, Mr. ENGEL, Mr. BECERRA, Mr. TIERNEY, Mr. SAWYER, Mr. HALL of Ohio, Mr. SERRANO, Mr. FARR of California, Ms. ESHOO, and Mr. FILNER.

H.R. 4734: Mr. STUPAK.

H.R. 4735: Ms. SCHAKOWSKY.

H.R. 4746: Mr. NORWOOD.

H.R. 4750: Mr. THOMPSON of Mississippi.

H.R. 4753: Mr. KENNEDY of Rhode Island.

H.R. 4756: Ms. WATERS.

H.R. 4759: Mr. STUPAK.

H.R. 4773: Mr. GILCREST, Mr. ROTHMAN, and Mr. BOUCHER.

H.R. 4783: Mrs. THURMAN.

H.R. 4792: Mr. BONIOR and Mr. UDALL of New Mexico.

H.R. 4822: Mr. RUSH.

H.R. 4825: Mr. HORN, Mrs. JOHNSON of Connecticut, and Mr. FOLEY.

H.R. 4827: Mr. PASCRELL.

H.R. 4838: Mr. GEJDENSON, Mr. COX, and Mr. SHAYS.

H.R. 4848: Mr. KENNEDY of Rhode Island, Mr. WEGAND, Mr. WYNN, Mr. GREEN of Wisconsin, Mr. BOUCHER, Mr. ABERCROMBIE, and Mr. BAIRD.

H.R. 4849: Mr. SMITH of Michigan.

H.R. 4857: Mr. LUCAS of Kentucky, Mrs. CAPPS, Ms. SLAUGHTER, Mr. NUSSLE, Ms. STABENOW, Ms. MILLENDER-MCDONALD, Mr. ROGAN, Mr. CAMP, and Mr. SUNUNU.

H.R. 4874: Mr. TIERNEY and Mr. PRICE of North Carolina.

H.R. 4879: Mr. BARRETT of Wisconsin, Mr. LEWIS of Georgia, and Mr. PALLONE.

H.R. 4892: Mrs. MALONEY of New York and Ms. ROYBAL-ALLARD.

H.R. 4894: Mr. LEWIS of Kentucky, Mr. CHAMBLISS, Mr. BURTON of Indiana, Mr. TANNER, Mr. SKELTON, Mr. BLUNT, Mr. MCINTYRE, and Mr. WYNN.

H.R. 4895: Mr. EWING, Mr. CHAMBLISS, Mr. BURTON of Indiana, Mr. SKELTON, Mr. BLUNT, Mr. MCINTYRE, and Mr. WYNN.

H.R. 4925: Mrs. EMERSON.

H.R. 4927: Mr. GEORGE MILLER of California, Mr. CONYERS, Mr. TURNER, Ms. LEE, and Mr. MATSUI.

H.R. 4938: Mr. BALDACCI.

H.R. 4949: Mr. LARSON, Mr. BRADY of Pennsylvania, Mr. UDALL of Colorado, Mr. RUSH, Mr. LAMPSON, and Ms. KAPTUR.

H.R. 4957: Mr. HALL of Ohio, Mr. RUSH, Mr. McNULTY, Mr. WATT of North Carolina, Ms. MCKINNEY, Mr. McDERMOTT, Mr. CONYERS, Mr. CROWLEY, and Ms. MILLENDER-MCDONALD.

H.R. 4965: Mr. DOOLEY of California.

H.R. 4971: Mr. RODRIGUEZ, Mr. SAM JOHNSON of Texas, Mr. BARRETT of Nebraska, Mr. GOODE, Ms. LOFGREEN, and Ms. BALDWIN.

H.R. 4977: Mr. LATOURETTE, Ms. DEGETTE, and Mr. BOEHLERT.

H.R. 4981: Mr. ROMERO-BARCELO and Mr. McNULTY.

H.R. 5004: Mr. VITTER.

H.R. 5021: Mr. BONIOR, Mr. WAXMAN, Mr. WEXLER, Ms. NORTON, Mr. ROTHMAN, and Mr. RODRIGUEZ.

H.R. 5040: Mr. CHAMBLISS.

H.R. 5045: Mr. BURR of North Carolina and Mr. RILEY.

H.R. 5050: Mrs. JOHNSON of Connecticut.

H.R. 5055: Mr. FROST.

H.R. 5079: Mr. GUTKNECHT.

H.R. 5095: Ms. NORTON, Mr. DOYLE, Mr. BONIOR, Mr. OLVER, and Ms. LEE.

H.R. 5096: Mr. NEAL of Massachusetts and Mr. LATOURETTE.

H.R. 5117: Mr. MENENDEZ, Mrs. THURMAN, and Mr. DEAL of Georgia.

H.J. Res. 48: Mr. SAXTON.

H.J. Res. 102: Mr. ROTHMAN, Mr. UDALL of New Mexico, Mr. WATKINS, Mr. KUYKENDALL, Mr. RILEY, and Mr. HASTINGS of Washington.

H. Con. Res. 58: Mr. HINOJOSA, Mr. SANDLIN, Mr. BARRETT of Nebraska, and Mr. BONIOR.

H. Con. Res. 285: Mr. DREIER.

H. Con. Res. 286: Mr. SHAYS.

H. Con. Res. 337: Mr. STARK.

H. Con. Res. 340: Ms. BERKLEY, Ms. LEE, and Mrs. NAPOLITANO.

H. Con. Res. 357: Mr. THORNBERRY.

H. Con. Res. 376: Mr. SANDERS.

H. Con. Res. 390: Mr. BARTLETT of Maryland, Mr. CAMP, Mr. BILBRAY, Ms. BROWN of Florida, and Mr. HASTINGS of Florida.

H. Res. 82: Ms. VELAZQUEZ.

H. Res. 187: Mr. MORAN of Virginia.

H. Res. 361: Ms. LEE and Mr. MCGOVERN.

H. Res. 430: Ms. DELAURO.

H. Res. 537: Mr. STUMP, Mr. SKELTON, Mr. FRANK of Massachusetts, Mr. PETERSON of Minnesota, Mr. LAFALCE, Mr. GALLEGLY, Mr. STEARNS, Mr. WEXLER, Ms. PRYCE of Ohio, Mr. SHAYS, Mr. MOORE, Mr. GEJDENSON, Mr. ENGEL, Mr. TIERNEY, Ms. WOOLSEY, Mr. PORTMAN, and Mr. PICKERING.

H. Res. 547: Mr. DELAHUNT, Mr. COYNE, Mr. PAYNE, Mrs. LOWEY, and Mr. BORSKI.